



# **Accounts Payable Basics – Logistics Invoice Verification Process**



## **Accounts Payable Basics – Logistics Invoice Verification Process**

### **What This Course Is About**

This course shows the logistics invoice verification process and when and how it is used. This process is used when paying vendor invoices that are linked to the procurement or Material Management Module (MM) of AASIS. This process must be used when the item being paid for was ordered with a purchase order.

### **Who Should Attend This Course**

End users with the AP Specialist role or the AP Supervisor role should attend this course. This course can also benefit accountants and managers who need to understand the processes which create accounting entries.

### **What You Should Know Before Coming to Class**

Before coming to class, you should know AASIS Basic Navigation or be an experienced user of AASIS. In addition, you should be familiar with basic accounting concepts.

### **What You Will Learn from This Course**

This course provides a basic overview of the business processes for creation and processing of vendor invoices, using logistics invoice verification in AASIS.

You will learn to correctly create logistics invoices in AASIS for assets and expenses.

You will learn about the accounting and budgeting processes for logistics invoices.

You will learn about the GR/IR account and how to avoid common errors that may occur there.

You will learn about the reporting tools available in AASIS and how to use them to locate data associated with the Accounts Payable and Material Management processes.

### **How This Course Is Organized**

There are two separate manuals used in this course: The Accounts Payable Logistics Manual and a supplemental Reporting Handbook. The Accounts Payable Manual provides the step-by-step processes in paying logistics invoices and covers some reports used in the process. The Reporting Handbook covers all reports used in the Accounts Payable Logistics process and other aspects of the AASIS system. We will cover the process for paying expenses in detail and then go over the process for invoicing assets. After that, we will cover the reports that we have not yet discussed. An accompanying workbook contains student exercises for use in class.



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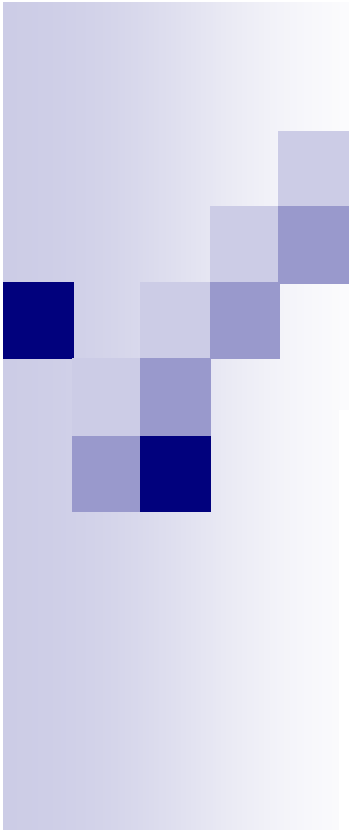
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# **Accounts Payable Basics – Logistics Invoice Verification Process**

## **Chapter 1 Customizing Your System**



## Accounts Payable Logistics Invoice Process

### Chapter 1 Customizing Your System

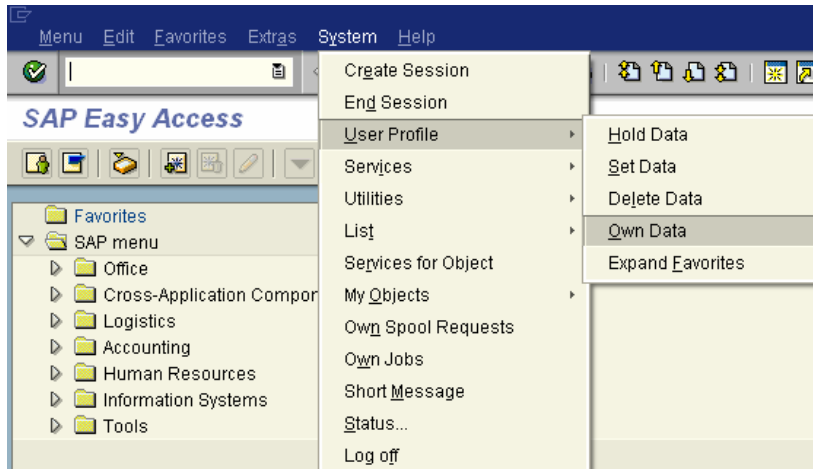
#### Before You Begin

You will view documents in this course. In order to properly display the documents, you need to make some changes to the default user settings in AASIS.

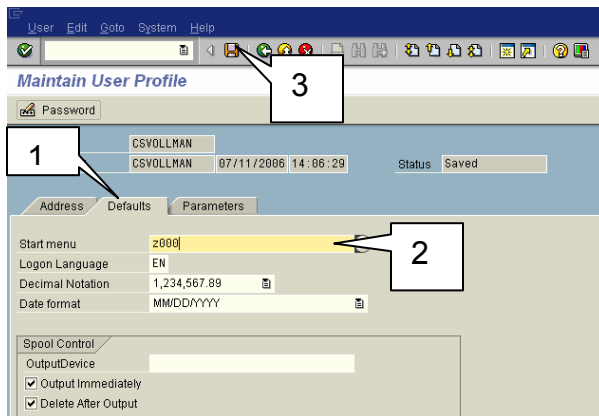
#### Customizing Your System

##### Default Menu

The AASIS menu should be your default menu. If it isn't, go to System> User Profile> Own Data



1. Choose the defaults tab.
2. Enter Z000 (the letter Z and three zeros) in the start menu field. Z000 enables the selection for Special Transactions and Reports—State of Arkansas.
3. Click the Save button.





## Accounts Payable Logistics Invoice Process Chapter 1 Customizing Your System

### Setting Parameters

You can also use the Maintain User Profile screen to set Parameters.

Click the Parameter tab to view the parameters that have been set for you.

The screenshot shows the 'Maintain User Profile' window with the 'Parameters' tab selected. The window has a menu bar (User, Edit, Goto, System, Help) and a toolbar. Below the title bar, there's a 'Password' button. The main area shows user information: User: CSVOLLMAN, Last Changed: CSVOLLMAN 07/11/2006 14:06:29, Status: Saved. Below this are three tabs: Address, Defaults, and Parameters. The Parameters tab is active, showing a table of parameters.

Parameter ID	Parameter value	Short Description
AVE	SAP01	FI: Entry Template for Payment Advice Items
EXP	X	Expert in drilldown reporting (no longer needs all inf
FBA	X1 02X	FI: Find documents in document archive if not in dat
FBZ	SAP	FI: Line Layout Variant for Posting Document - Doc.C
F02	X X	Accounting Options / Part 2
F03	2	Accounting User Options (Single-Screen Transaction
F0P	X	Financial Accounting Options
FZ1	SAP01	FI: Invoice/Credit Memo Fast Entry Line Layout
FZ2	SAP01	FI: G/L Account Items Fast Entry Line Layout
FZ5	SAP01	FI: Document Parking Fast Entry (G/L Accts) Line La
GRWE	XXXXXX X	Report Writer: Interactive Settings in the Edition
KME	SAP01	FI Account Assignment Model: Screen Template Var

You can set parameters on this screen to make values default in transactions. You can find out what the parameter ids in transactions are by clicking F1 in the transaction field and then clicking the technical information button.





## Accounts Payable Logistics Invoice Process Chapter 1 Customizing Your System

For example, assume that you want the “year commitment item” field to default to 2007 in the Actual Budget Report.

You can find the parameter as follows:

Place your cursor in the field and click F1.

Selection: Available Budget

Classification

Standard selections

Fund		to	
Key date	07/11/2006		
Funds center		to	
Year commitment item	2006		
Variant	000		
Commitment item		to	

Click the Technical Information button

Performance Assistant

**Fiscal Year of Commitment Item**

You reference a valid fiscal year of the commitment item using the year entry. This, as a rule, is necessary if the text or hierarchy of the commitment item in different years deviate from one another. In drilldown reports displaying BS elements, the fiscal year of the budget structure is referenced here.

Note the Parameter ID. (Some fields do not have Parameter ID's.)

Technical Information

Screen data

Report	GP425SWS7NWHOKGMHTBH5U38TY1
Program name	GP425SWS7NWHOKGMHTBH5U38TY1
Screen number	1000

GUI data

Program name	RSSYSTDB
Status	%_00

Field data

Struct.	FVAR
Field name	GJAHR
Data element	FM_PGJAHR
DE supplement	0
Parameter ID	FVJ

Field description for batch input

Screen field	P_GJAHR
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Navigate



## Accounts Payable Logistics Invoice Process

### Chapter 1 Customizing Your System

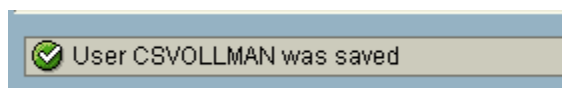
You also want to set a parameter ID for The fiscal year.

Assume you followed the steps to find the fiscal year parameter ID (It's GJR). Enter the Parameter IDs and desired values in your User Profile on the Parameters tab.

Click Save.

Parameter ID	Parameter value	Short Description
AVE	SAP01	FI: Entry Template for Payment Advice Items
EXP	X	Expert in drilldown reporting (no longer needs all inf
FBA	X1 02X	FI: Find documents in document archive if not in dat
FBZ	SAP	FI: Line Layout Variant for Posting Document - Doc.C
F02	X	Accounting Options / Part 2
F03	2	Accounting User Options (Single-Screen Transaction
FWS	USD	Currency unit
FZ1	SAP01	FI: Invoice/Credit Memo Fast Entry Line Layout
FZ2	SAP01	FI: G/L Account Items Fast Entry Line Layout
FZ5	SAP01	FI: Document Parking Fast Entry (G/L Accts) Line La
GRWE	X XXXXX X	Report Writer: Interactive Settings in the Edition
KME	SAP01	FI Account Assignment Model: Screen Template Var
FVJ	2007	
GJR	2007	

You'll get a message that the information was saved.



The next time you select the report, the information that you specified will default—in this case the Year commitment item as 2007.

Program Edit Goto System Help

Selection: Available Budget

Classification

Standard selections

Fund [ ] to [ ]

Key date 07/11/2006

Funds center [ ] to [ ]

Year commitment item 2007

Variant 000

Commitment item [ ] to [ ]



## Accounts Payable Logistics Invoice Process

### Chapter 1 Customizing Your System

#### Document Display Options

Use Editing Options (transaction FB00) to control the way documents display in the system.

Choose the Doc display tab. Classic display is the default selection under the additional display options section.

The screenshot shows the 'Accounting Editing Options' dialog box with the 'Doc display' tab selected. The 'Display from document archive' section has 'Query before archive search' and 'Currency conversion when documents read from archive' checked. The 'Search strategy' section has 'Single document search' set to 1. The 'Line layout variants for document display' section has 'Line Layout' set to 1. The 'Display documents using...' section has 'Reference no.' checked. The 'Additional display options' section has 'Classic Display' selected under 'Document Overview...'. There are also checkboxes for 'Display cross-company code transaction' and 'Relationship browser in Separate Mode'.

The classic display option causes documents to be displayed like this:

The screenshot shows the 'Display Document: Overview' screen. It displays document details for document number 51000169, company code ARK, fiscal year 2006, document date 02/21/2006, posting date 05/01/2006, period 11, reference 1312, cross-CC no., currency USD, and tests exit. Below this, there is a table titled 'Items in document currency'.

Item	PK	BusA	Acct. no.	Description	Tx	Amount in	USD
001	21	0610	100000211	Leashes and Things	PO	150.00	
002	96	0610	2111001000	GRIR Clearing	PO	150.00-	

Change the radio button to the ALV Classic List.

This close-up shows the 'Additional display options' section of the dialog box. Under 'Document Overview...', the 'ALV Classic List' radio button is selected, while 'Classic Display' and 'ALV Grid Control' are unselected.



## Accounts Payable Logistics Invoice Process

### Chapter 1 Customizing Your System

This causes the document to be displayed like this—you can now see cost center, funds center and fund on the document.

Document Edit Goto Settings Extras Environment System Help

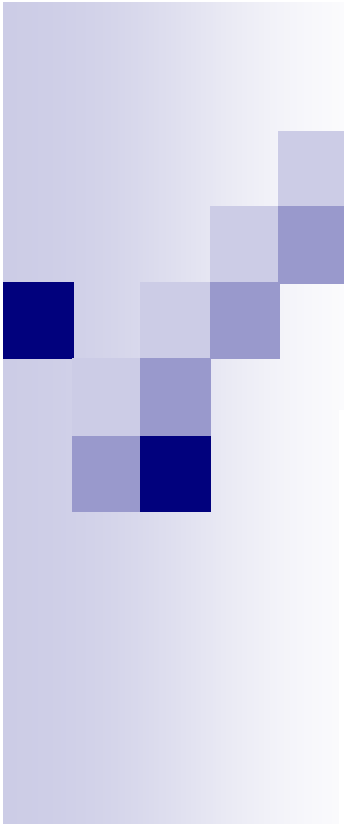
Document Overview - Display

Doc. type: RE ( Invoice receipt ) Normal document

Doc. Number	51000189	Company code	889	Fiscal year	2006
Doc. date	02/21/2006	Posting date	05/01/2006	Period	11
Calculate Tax	<input type="checkbox"/>				
Ref. doc.	1312				
Doc. currency	USD				

Item	PR	Account	Account short text	BUSA	Fund	Amount	Cost Ctr	Order	Funds	Text
1	21	160000211	Leases and Things	0610		158.00				
2	96	2111001000	SRIR Clearing	0610	HSC0101	158.00-	303201		272	PRM

Save the change.



# **Accounts Payable Basics – Logistics Invoice Verification Process**

## **Chapter 2 Overview**

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 2 - Overview

#### How Does AASIS Operate?

The Arkansas Administrative Statewide Information System (AASIS) operates using SAP software that has been customized to meet the business needs of the State of Arkansas. Customization includes **business processes** designed for day-to-day operations, as well as the ability to meet reporting requirements from various branches of the State and Federal governments and professional accounting entities.

#### How Is AASIS Organized?

AASIS is organized into modules and sub-modules. A **Module** is a group of related components that serve complementary functions. A **Sub-module** is an individual component containing related transactions. The AASIS structure looks something like this:

#### Financials (FI) Module

- Sub-modules
  - Accounts Payable (AP)
  - Accounts Receivable (AR)
  - Asset Management (AM)
  - Cash Management (CM)
  - Controlling (CO)
  - Funds Management (FM)
  - General Ledger (GL)
  - Projects Systems (PS)
  - Special Purpose Ledger (SPL)

#### Materials Management (MM) Module

- Sub-modules
  - Inventory (INV)
  - Logistics Invoice Verification (LIV)
  - Purchasing (PUR)

## **Accounts Payable Basics – Logistics Invoice Verification Process**

### **Chapter 2 - Overview**

#### Human Capital Management (HCM) Module

##### ➤ Sub-modules

- Benefits
- ESS
- Organizational Management (OM)
- Payroll (PAY)
- Personnel Administration (PA)
- Time
- Training and Events (TE)

#### **What Is A Business Process?**

A business process is a series of defined procedural steps associated with a specific business function. A complete business process might be contained within a single sub-module, or it might cross sub-modules and modules. This course demonstrates the process for creating, posting, paying, and troubleshooting Logistics Vendor Invoices for Treasury funds, so let's use the Accounts Payable-Logistics Invoice Verification business process as an example.

The Accounts Payable process in AASIS is the means by which the state records expenses and obligations to pay vendors for goods and/or services received, and subsequently issues payments to those vendors and relieves the obligations. Reporting tools within Accounts Payable allow users to monitor obligations and payments for amounts, frequency, promptness, accuracy, and recipient, among other things.

There are four major steps in the Accounts Payable – Logistic Invoice process:

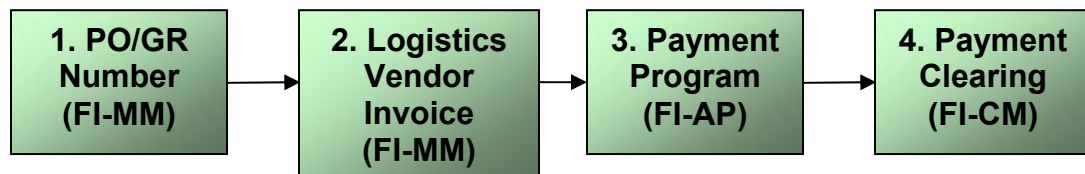
1. Using the Logistics Invoice process the first thing you must have is a posted goods receipt for a purchase order that matches the invoice you received from the vendor.
2. Once you are confident that the purchase order and goods receipt match the vendor invoice, the next step is to create the invoice using the MIRO transaction.
3. Posted invoices are processed for payment in the payment program on the appropriate date. Department of Finance & Administration - Office of Accounting (DFA-OA) executes the payment program each evening,

## **Accounts Payable Basics – Logistics Invoice Verification Process**

### **Chapter 2 - Overview**

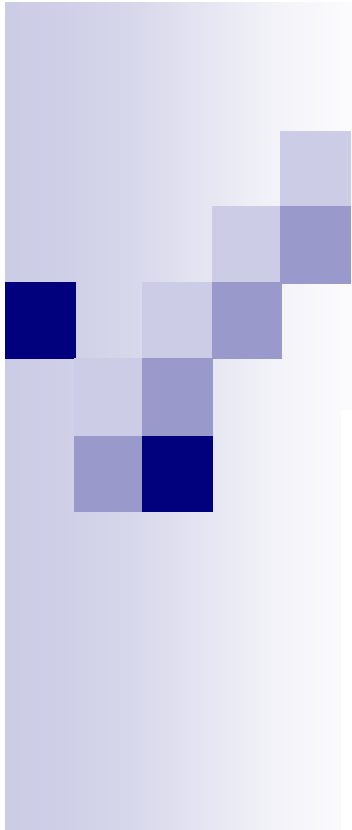
Sunday – Thursday, for vendor payments from Treasury funds. Warrants are printed and mailed and ACH payments are made.

4. The State Treasury sends a file to AASIS each day that identifies payments they have redeemed. That file updates the appropriate payments in AASIS to show that the vendor has received the payment and the encashment date. The payment is then marked as “cleared” in AASIS and the business process is completed. The bank file from the State Treasury, referred to as the BAI file, is processed automatically by the AASIS Support Center (ASC).



Before we get into the details of specific transactions and data entry, we need to discuss some concepts that have a major impact on the AP Logistics business process. Global Settings, Integration, and Internal Controls are addressed throughout this manual but are discussed in detail in Chapter Three.





# **Accounts Payable Basics – Logistics Invoice Verification Process**

Chapter 3  
Master Data, Global  
Settings, Integration &  
Internal Controls

## **Accounts Payable Basics – Logistics Invoice Verification Process**

### **Chapter 3 – Master Data, Global Settings, Integration & Internal Controls**

In this chapter we explain more about Master Data, Global Settings, Integration and Internal Controls, which you will see mentioned throughout this course. You need to understand what they are, how they impact the AP-Logistics Vendor invoice business process, and how and why they affect the way you do your job. Master data is central to integration in AASIS and is also part of system internal controls, so we will begin with master data.

#### **What Is Master Data?**

Master data is information that remains the same over a long period of time, or information that is needed often and in the same form. Master data is also used for deriving additional information, which reduces data entry for end users and facilitates integration and reporting within AASIS between the modules and sub-modules. Because of the derivations, you must understand the connections between master data elements and how they are used in various transactions.

Master data consists of the master record, which is a definition (what it is, who is responsible for it, where it's located, etc.), and a unique identifying alpha, numeric or alpha-numeric code. Some pieces of master data can be used by all end users, while others are more restricted. Each piece of master data has a module or sub-module that "owns" the master record, but most master data is used by multiple sub-modules in transactions. For example, the CO sub-module "owns" a cost center because that is where the master record is created and maintained, but cost centers are used by all FI sub-modules, most MM sub-modules, and even HCM sub-modules. The major master data elements are:

**General Ledger Account** is a 10 digit numeric code used to classify and categorize financial activity within AASIS and represents the line item detail for all financial transactions. General Ledger accounts (GL accounts) are grouped by category in the AASIS statewide Chart of Accounts. Department of Finance & Administration-Office of Accounting (DFA-OA) adds General Ledger accounts to the Chart of Accounts when need arises. General ledger accounts are "owned" by the GL sub-module but are used throughout the FI and MM modules. GL Accounts are generic to all state agencies.

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 3 – Master Data, Global Settings, Integration & Internal Controls

There are six broad categories of GL accounts, each of which serves a different purpose in the financial statements, and each category has a different 10-digit number range:

Account Category	Account Type	Number Range
Assets	Balance Sheet	1000000000 - 1999999999
Liabilities	Balance Sheet	2000000000 - 2999999999
Fund Balance	Balance Sheet	3000000000 - 3999999999
Revenues	Profit & Loss	4000000000 - 4999999999
Expenses	Profit & Loss	5000000000 - 5999999999
Other Sources and Uses	Profit & Loss	6000000000 - 6999999999

---

**NOTE:** There is an account category called “Assets”, but we also have what we call “Fixed Assets” in AASIS.

“Assets” is a category of GL accounts representing items that increase the financial value or improve the financial position of the State. Examples include cash balances, cash owed to the state, fixed assets (items of value, also referred to as “capital equipment”), investments, etc.

Fixed asset accounts are used for recording and tracking individual pieces of equipment, buildings, land, artwork, and other items purchased or constructed by, or donated to, the state. Individual fixed assets are maintained in the Asset Management sub-module, but their balances are summarized and reported in the General Ledger in the 1990000000 – 1999999999 account range in the “Assets” section.

---

For AP, you will mostly be working with the Expenses and Liabilities. Individual expense accounts are used to classify how your agency spends its money. These accounts, combined with other pieces of master data, allow you to produce reports detailing how much has been spent on cleaning supplies, travel expenses, utility bills, construction materials, uniforms, etc.

Liabilities represent obligations – how much your agency owes, and a general idea of what created the obligation. Examples include payroll liabilities, vendor liabilities, bond payment liabilities, etc. Within the liabilities, there are

## **Accounts Payable Basics – Logistics Invoice Verification Process**

### **Chapter 3 – Master Data, Global Settings, Integration & Internal Controls**

three reconciliation accounts, one of which will be assigned to each individual vendor.

A reconciliation account is used to summarize the balances in the individual vendor accounts and report the totals in the General Ledger. There are currently three vendor reconciliation accounts: 2110001000 – Vendor Accounts Payable, which is used for most vendors; 2110002000 – Employee Accounts Payable, which is used for employee vendors (used for travel reimbursements but not payroll); 2110003000 – Due to Other Funds, which is used for State Agency vendors. The liability reconciliation account chosen determines what must be done with the account balance when it comes time to produce the financial statements.

**Fund** is a seven-character numeric or alpha-numeric code that represents one level of an agency's fiscal and accounting responsibility, where cash and other financial resources are recorded for the purpose of administering authorized activities.

In accounting terms, a fund is a self-balancing set of books. The debits and credits must be equal, and AASIS allows extensive reporting of revenues, expenses and cash on a Fund basis. In other terms, a fund is similar to a bank account. Each fund has deposits or incoming transfers to increase the cash balance, and payments or outgoing transfers to reduce the cash balance. Funds can be used by agencies to keep track of different funding streams (sources of revenue) or to "separate" cash used for multiple purposes. For example, some agencies receive money from both the State and the Federal government. If they prefer to keep the money separate, they might choose to have two funds – one for the state money and one for the federal money – although this is not necessary.

There are two types of funds in AASIS:

Treasury funds represent monies maintained in the State Treasury. For Treasury funds, the seven-character fund code is alpha-numeric; the first three characters, at least, are letters, and the remaining characters are numbers.

Cash funds represent monies maintained in commercial bank accounts. For Cash funds, all seven characters of the fund code are numbers.

Funds are "owned" by the FM sub-module and are part of the "budget quad" in AASIS. Agency budgets are created to limit how much an agency can spend based on legal authorizations. AASIS uses four pieces of master data to make up the budget "quad": fund, funds center, functional area and commitment item, all "owned" by the FM sub-module.

## **Accounts Payable Basics – Logistics Invoice Verification Process**

### **Chapter 3 – Master Data, Global Settings, Integration & Internal Controls**

**Funds Center** is a four-or-five-character alpha-numeric code that represents the agency's appropriation, or the legal authority to spend certified income, according to the agency's Appropriation Bill passed by the State Legislature in the most recent regular session.

**Functional Area** is a three- or four-character alpha code that represents the high-level Comprehensive Annual Financial Report (CAFR) classifications. Functional areas correspond to the general purpose of the agency (Health and Human Services, Public Safety, Education, Constitutional Office, etc.). Each agency has only one functional area.

**Commitment Item** is a seven-digit numeric code that represents the broad categories of detailed line items created within all financial transactions. Commitment items create functional grouping of expenditures and revenues, among other things, within the FM sub-module. Commitment item categories include Maintenance & Operations, Regular Salaries, Extra Help, Matching, Conference & Convention Fees, Professional Services and Capital Outlay. Appropriation bills are specific to the commitment item ("character code") level. For example, an agency may be authorized to spend no more than \$1 million for Regular Salaries, \$2 million for M&O, \$100,000 for Capital Equipment, etc.

**Cost Element** is the equivalent of the 10-digit GL account and represents the line item details for all revenue and expense financial transactions, except the cost element is "owned" by the CO sub-module and is only used there. Cost elements only exist for GL accounts in the 4000000000 – 6999999999 range, with the exception of some of the Fixed Asset accounts in the 1990000000 – 1999999999 range. The cost element number is the same as the GL account number; for example, GL account 5050002000 is associated with cost element 5050002000.

**Cost Center** is a six-digit numeric code that serves as a financial data collector for areas of responsibility within an agency. An agency's cost center structure usually reflects the organizational structure of the agency; e.g. at least one unique cost center for each county office, and different cost centers for central administration units. Cost centers are also used to derive other information when used in a transaction. Within AASIS, cost centers enable derivation of fund, funds center, business area and functional area – in other words, most of the budget "quad". Cost centers are "owned" by the CO sub-module.

## **Accounts Payable Basics – Logistics Invoice Verification Process**

### **Chapter 3 – Master Data, Global Settings, Integration & Internal Controls**

**Project Definition** – An alpha-numeric code that is the high-level definition of a construction project or grant award. Each project definition contains at least one lower-level WBS element. Project definitions are “owned” by the PS sub-module, but are more commonly associated with the CO sub-module because that is where most of the reporting takes place.

**WBS Element** is an alpha-numeric code that is a component of Project Systems within the CO sub-module. Each WBS element is part of the hierarchical structure of a project definition and is used as a financial data collector to serve the reporting needs of an agency. WBS elements are used in AASIS to record activity against grants or construction projects. Some WBS elements are “real” or non-statistical, which means the fund, funds center and functional area are derived using the WBS element rather than the cost center; non-statistical WBS elements are normally for construction projects. WBS elements are “owned” by the PS/CO sub-modules.

**Internal Order** is (up to) a nine-character alpha-numeric code used to collect the financial data of an agency for reporting purposes. Internal orders are not used to derive other information. Internal orders are “owned” by the CO sub-module.

**Vendor** is an authorized entity from whom the state can purchase goods or services and is identified by a unique Vendor Account number. The Vendor Master Record contains such information as vendor name and address, tax identification number, bank account information, and the reconciliation General Ledger account used for financial reporting. Vendor Master Records are categorized by account groups, and each account group has a unique numeric or alpha-numeric range of two to nine characters, depending on the type of vendor.

**Customer** is a business partner to whom the state has provided goods or services in return for payment and is identified by a unique Customer Account number. Customer Master Records are categorized by account groups, and each account group has a unique numeric or alpha-numeric range of six to nine characters, depending on the type of customer.

**Asset** is a piece of equipment or other non-inventory item - purchased, donated, constructed, or in the process of being constructed - in AASIS. The asset master record includes the useful life of the asset, the cost center to be used for financial information, the value of the asset, etc. The asset class chosen when the asset is created determines which Fixed Asset reconciliation accounts are used in the General Ledger. Each asset has a unique nine-digit number, determined by number range assigned to the asset class, which is used for tracking and reporting purposes.

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**Material** is an eight-digit code that represents a commodity or service consumed by an agency and acquired through the Purchasing module.

**Plant** is a four-character numeric code that represents an inventory warehouse at a specified location. Plants are used in the Purchasing module.

**The Special Purpose Ledger** module (SPL) does not “own” any master data. SPL is a ledger used for financial statement reporting at the fund level. Anything that posts to the General Ledger automatically posts to the SPL, which means all financial transactions. The difference is that SPL postings include a Fund and Business Area on every line and force each document as a whole to balance, debits and credits, by Fund and Business Area, whereas the General Ledger documents do not.

#### **What Are Global Settings?**

Global settings are used like master data, except they are created through configuration by ASC and are not owned by one particular module. Some examples of global settings that are important to you as Accounts Payable users are **Company Code, Business Area, Posting Keys, Document Types** and **Payment Methods**.

**Company Code** is a three-character alpha code that represents the State’s highest level legal reporting entity. The only Company Code used in AASIS is ARK.

**Business Area** is a four-digit numeric code representing an organizational unit of the State. In AASIS, business area represents an agency or division of an agency; each agency has a unique business area code in AASIS. Business area is used for reporting purposes and enables users to produce financial statements by agency. Some transactions require you to enter a business area, while others derive the business area from the cost center. Business area is used by most FI sub-modules, but not all. MM does not use business area (it uses Purchasing Organization instead), and the CO and FM sub-modules have only limited uses for business area.

**Posting Key** is a two-digit code representing a debit or credit for a specific business process within each financial sub-module. Each line item of a document in any of the FI sub-modules contains a posting key. The posting key indicates whether the line is a Debit or Credit (increase or decrease the account balance); whether the account used is a Vendor account, General Ledger account, Asset account or something else; and the nature of the transaction (vendor invoice, vendor credit memo, customer invoice, customer credit memo, etc.).

The posting keys we will use for the Accounts Payable – Logistics Invoice Verification process are:

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 3 – Master Data, Global Settings, Integration & Internal Controls

#### Vendor Accounts

Posting Key	Debit/ Credit	Transaction Usage	Effect on Accounts
<b>21</b>	D	Credit memo	Decrease Vendor Account Balance
<b>22</b>	D	Reverse invoice	Decrease Vendor Account Balance
<b>31</b>	C	Invoice	Increase Vendor Account Balance
<b>32</b>	C	Reverse credit memo	Increase Vendor Account Balance

#### General Ledger Accounts

<b>40</b>	D	Debit entry	Increase Expense Amount
<b>50</b>	C	Credit entry	Decrease Expense Amount

#### Fixed Asset Accounts

<b>70</b>	D	Debit asset	Increase Asset Account Balance and Asset Value
<b>75</b>	C	Credit asset	Decrease Asset Account Balance and Asset Value

#### GR/IR Account

<b>81</b>	D	Debit expense	Increase Expense Amount
<b>96</b>	C	Credit GR/IR	Increase GR/IR Liability

Some transactions require you to enter the posting keys and some do not, so you need to know what they represent and when to use each one.

**Document Type** is a two-character alpha-numeric code that identifies the purpose of the business transaction and is also used to control what you can do within a transaction. For instance, document type RE is always a Vendor Invoice (Logistics Invoice Verification).

Sometimes the transaction you choose will determine the document type used, and sometimes you must choose the document type. Understanding the document types is also very useful when executing or reading reports. Document type is often a selection option on reports and can help you narrow the selections and improve the speed of the report. Each document type has an assigned number range, from seven to ten digits. AASIS assigns the next available number in the range when you park a document (or when you post



## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 3 – Master Data, Global Settings, Integration & Internal Controls

a document if the document wasn't parked). The document types we will use for the Accounts Payable – Logistics Invoice Verification process are:

#### Accounts Payable

Document Type	Description	Usage
<b>RE</b>	Vendor Credit Memo	Credit Memo for a Logistics invoice
<b>RE</b>	Vendor Invoice	Logistics Invoice

(Credit Memo and Vendor Invoice are the same document type)

#### Goods Receipt

<b>WE</b>	Goods Receipt	Recognize the receipt of goods ordered via the AASIS purchasing process
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#### Cash Management

<b>ZP</b>	Vendor Payment Document	Payment generated via the automatic payment run, either for a Treasury fund or a Cash fund
<b>ZR</b>	Bank Clearing	The issued payment has been received by the vendor and submitted to the Treasury or Commercial Bank for redemption

**Payment Method** is a single-character alpha code indicating the nature of the fund from which payment is made (Cash fund or Treasury fund) and the means by which payment is made (check, warrant, ACH, direct deposit, or no payment issued directly from AASIS). Payment method selections are maintained on the Vendor Master record, although you are not limited to only those payment methods.

## **Accounts Payable Basics – Logistics Invoice Verification Process**

### **Chapter 3 – Master Data, Global Settings, Integration & Internal Controls**

The payment methods we will use for the Accounts Payable - Logistics process are:

<b>Payment Method</b>	<b>Description</b>	<b>Usage</b>
<b>A</b>	ACH	Automatic Clearing House – essentially, a direct deposit to a vendor's bank account – from a Treasury fund
<b>W</b>	Warrant	A Warrant is a Check issued against a Treasury fund

#### **What Is Integration?**

Several of our business processes are possible because AASIS is “integrated” to allow the transfer of information between the modules and sub-modules without the need to enter the same data multiple times. Continuing with the AP-Logistics Invoice Verification example, integration allows the recording of expenses and payments in such a way that other sub-modules of AASIS can use the information for their own reporting needs. The FI Module and SPL and FM sub-modules regularly report on expense information. This reporting is made easier by the use of global settings and master data; like the global settings, some master data is agency-specific, but most is not.

#### **Global Settings, Master Data and Integration.**

The only global setting that is specific to an agency is Business Area, yet that global setting must be in place before any agency-specific master data can be created. Each agency is assigned a business area by DFA – Office of Accounting (DFA-OA) and DFA - Office of Budget (DFA-OB), usually as a result of legislative action during a regular legislative session. Business areas must have legislative authority to operate. The authority known as their appropriation act, which is passed by the legislature, determines the master data assignments for all funds and funds centers that the agency will use within AASIS. In addition, this act defines budgetary control amounts based upon broad categories. These broad categories are known as commitment items within the AASIS Funds Management module. Funds and funds centers are created specifically for a business area, but commitment items generally are not – appropriation acts normally utilize existing commitment items.

In order for an agency to operate within AASIS, business area specific master data must be created. DFA-OA and DFA-OB define the agency vendor master record, agency customer master record, and the fund and funds center master data. The vendor and customer accounts are used in transactions between agencies. Each master record contains a General

## **Accounts Payable Basics – Logistics Invoice Verification Process**

### **Chapter 3 – Master Data, Global Settings, Integration & Internal Controls**

Ledger account – the reconciliation account that determines where the account balance will be reported on the financial statements. The reconciliation accounts are not specific to one agency. Additionally, the customer account must exist before the fund master record can be created.

Each agency's cost objects are created by either DFA-OA (cost centers) or agency staff (internal orders, project definitions and WBS elements), and each piece of master data has a single business area and functional area assignment. For example, the master record of each cost center contains the business area and functional area for which that cost center was created. Cost centers also require a funds management assignment which provides a hard link to one fund and one funds center. Based upon the master data record and the funds management assignment for cost centers, each cost center is associated with 3 of the 4 defined objects for the "budget quad" that provides budget control within the system. The "budget quad" consists of the fund, funds center, commitment item and functional area.

All expense and revenue transactions, as well as some fixed asset and inventory transactions, require the complete budget "quad". A General Ledger account is the primary remaining requirement because every GL account master record contains a commitment item. Each general ledger code in the 4XXXXXXXXX – 6XXXXXXXXX range, and some in the 199XXXXXXXX range, has a corresponding revenue- or cost-relevant code within the CO sub-module known as a cost element. The GL account code can be keyed directly into the account number field within a transaction, or it can be suggested by another piece of master data, *i.e.* a transaction code in the cash journal or the material master number on a purchase order.

Each agency has at least one cash journal, created by ASC, which is used to record the receipt of cash. The cash journal itself is tied to a General Ledger account for Cash on Hand, and each revenue GL account has a unique transaction number within the cash journal. When you enter a receipt in the cash journal, you choose a transaction code rather than enter a GL account number.

A material master represents a commodity or service which can be procured by authorized plants through the purchasing sub-module in MM. The Material Master record includes a valuation class that derives suggested GL account, but you can change the GL account when you create the PO. Plants represent an inventory warehouse location; most of the state uses plant 9999, although there are a couple of agencies that have their own plants. Plants are further controlled by purchasing organizations (business area in MM) and purchasing groups. Purchasing groups are defined by the agency and can represent one or many individuals, but must be created and maintained within AASIS by ASC staff.

## **Accounts Payable Basics – Logistics Invoice Verification Process**

### **Chapter 3 – Master Data, Global Settings, Integration & Internal Controls**

Fixed Asset master records can be used in a PO to purchase the asset or on a Direct-Pay vendor invoice to pay the sales tax on a vehicle. The asset master record contains an asset class, which defaults the GL accounts for the asset expenses, depreciation and fund balances, and a cost center, which determines the FM assignments and business area for that asset.

As we have already noted, there are several links between the master data in various sub-modules. Those links help create the integration and enable AASIS to derive (automatically populate) information in some fields and reduce the data entry for you when entering a document. Some examples of master data links relevant to the AP Logistics Invoice Verification process:

- Every GL account has a commitment item assigned.
- Cost centers and WBS elements have a business area on their master records.
- Cost centers are assigned and WBS elements can be assigned a fund, funds center and functional area.
- Fixed Asset Master Records have a cost center assigned. The asset master record also holds the asset class, which is mapped to the appropriate GL accounts.
- Vendor Master Records contain the GL reconciliation account used to report the vendor's account balance in the General Ledger.

As you can tell from the identified links, derived data is usually from a different sub-module; the sub-module links are what enable you to view the vendor payments from CO or FM sub-module reports without actually re-entering the invoice information in each of those modules. Not all derived information is from a different module, however. When you create a vendor invoice, the vendor's name and address, among other things, are derived from the vendor master record of the vendor you choose.

Some derived information comes directly from the master data's master record - examples are the cost center and the general ledger account. In the case of the cost center, when you use a cost center in a transaction, the business area on the cost center master record is automatically populated into the "Business Area" field on that line item; likewise, the commitment item from the general ledger account master record is also populated into the appropriate field for that line item.

Other derived information comes from what is known in AASIS as the "derivation tool". The derivation tool is a more flexible means of linking master data. It is most commonly used to create derivations between CO sub-module master data and FM sub-module master data. Most cost centers are used to derive the fund, funds center and functional area when used in a transaction; this derivation is caused by the derivation tool. Some WBS elements are also used to derive the fund, funds center and functional area.

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The only WBS elements that are used for derivations are those that are “non-statistical”, or “real”; a WBS element is statistical or non-statistical based on the settings on the WBS element master record.

Each time you use a master data element in a transaction, you generate a posting in the sub-module that “owns” the master record. That is, when you create a vendor invoice and use a cost center, you create not only an AP posting (vendor), but also a GL posting (expense GL account and vendor reconciliation account), a CO sub-module posting (Cost Element, Cost Center, WBS element, Internal Order) and an FM posting (Commitment Item, Fund, Funds Center, Functional Area). This is the integration that enables reporting of a single transaction from multiple modules without entering the same transaction more than once.

Let's look at the example of a Logistics Invoice for sales tax on a vehicle purchase. An invoice to pay sales tax on one vehicle has two line items – the vendor line and the asset line. When you enter the vendor account number on the vendor line, AASIS derives the GL reconciliation account from the vendor master record, which then derives the commitment item from the GL account master record.

The asset line derives even more information. You don't enter a GL account – the GL account is derived from the asset class on the asset master record, and the GL account in turn derives both the commitment item and the cost element. The cost center is also derived from the asset master record, and from the cost center comes the fund, funds center, functional area and business area.

The resulting transaction appears on reports in multiple sub-modules:

- The GL sub-module because of the GL accounts
- The CO sub-module because of the cost center and cost element
- The AM sub-module because of the asset account
- The FM sub-module because of the fund, funds center, commitment item and functional area
- The SPL sub-module because all financial postings are transferred to the SPL

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The chart below shows the different derivations possible for each master data element:

Entered by User	Derives								
	Business Area	Cost Center (CO)	Cost Element (CO)	General Ledger Account (GL) - Reconciliation Account	General Ledger Account (GL) - Non-Reconciliation Account	Commitment Item (FM)	Functional Area (FM)	Fund (FM)	Funds Center (FM)
Cost Center	X						X	X	X
General Ledger Account			X			X			
Fixed Asset Number	X	X	X	X	X	X	X	X	X
Cost Element									
WBS Element *	X						X	X	X
Internal Order									
Fund									
Funds Center									
Functional Area									
Commitment Item									
Vendor Master Record				X		X			

Not entered by end user

\* Derivation depends on how master data is created.

### What Are Internal Controls?

Internal controls are a checks-and-balances system designed into the business process to ensure system security, data integrity and accuracy, and the protection of the assets of the State of Arkansas (fraud prevention). Auditors review the internal controls in AASIS and in your agency to ensure that the financial information posted by your agency, and thus by the State of Arkansas, is reasonably accurate and not likely to lead to misstatement on the statewide financial statements (CAFR). Internal controls are part of every business process within AASIS, but your agency should also have internal control policies and procedures in place for activity that takes place outside of AASIS (*i.e.* the physical handling of cash).

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### **Chapter 3 – Master Data, Global Settings, Integration & Internal Controls**

The primary goals of internal controls in AASIS are 1) to ensure that no user can perform an entire business process without the knowledge and participation of at least one other person, and 2) to prevent users from using master data that does not belong to them (master data that is specific to a different business area).

#### **Security Roles**

As an AASIS user, you have security roles assigned to your User ID. These security roles determine which transactions you can and cannot access, thus limiting what you can and cannot do once you get into AASIS. Security roles can also be used to control access to such global settings and master data as Business Area, Vendor Master Record and Vendor Account, and General Ledger Account.

#### **Global Setting and Master Data Access**

Global settings and master data are sometimes used to limit what you can post; the most common example is Business Area. Each agency is assigned to a business area in AASIS, and you should be mapped to security roles created for your business area.

Master data can be made available for general use, or it can be restricted to only the personnel who perform specific business processes or who should be able to access sensitive information. Examples of restricted master data include the following:

- Document types ZF, ZG and ZH are used exclusively by the Funds Group in DFA-OA for revenue distribution. Only a few people at DFA-OA are the persons authorized by law to post revenue distribution, so these document types are reserved for their use.
- Some General Ledger Expense accounts are used exclusively by DFA and agency personnel who post asset information for “Reporting” agencies. Reporting agencies post most of their financial activity through inbound files rather than on-line access. They do not utilize the standard procurement process for purchasing assets and must have a way to record their asset balances in AASIS. On-line agencies (who should be using the standard procurement process) should not be allowed to use the reporting agency accounts and circumvent the procurement process.
- Vendor groups WISE and CRIS are used to produce payments for DHHS and DWS programs that contain sensitive information. The ability to create and change the vendor master records and to post and display the payments is restricted to a few users at DHHS and DWS.

This type of master data restriction is accomplished through the use of authorization groups on the master data records. The authorization groups are then added to security roles, and the security roles are mapped to the

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appropriate users. You will not be able to park, post, change, display, etc. restricted master data unless you are mapped to the appropriate security role(s).

An error message stating, “You are not authorized to...” normally means you are trying to access a transaction or use a piece of master data that is not included in any of your security roles. If you get this error message, first look at what you have entered or are trying to post and decide if it is correct. If it is, contact your agency’s security liaison to find out what is missing from your security roles.





# **Accounts Payable Basics – Logistics Invoice Verification Process**

## **Chapter 4 Matching the Invoice to the Purchase Order**

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**Why Am I Paying this Invoice?**

Your agency purchased and received goods or services using the AASIS purchasing process. Both a purchase order and a goods receipt exist.

**Rocky's Vertical Exercise Experience**  
**77 Hangan Road**  
**Seattle, WA 98107**



**INVOICE**

**Invoice Number: 55775**  
**Your Purchase Order: 4500001015**  
**Invoice Date: 6/23/2006**

<b>1 Exercise Machine (Ab Cruncher).....</b>	<b>\$150.00</b>
<b>5 Pr. Dumbbells.....</b>	<b>50.00</b>
<b>Sales Tax.....</b>	<b>15.00</b>
<b>Total.....</b>	<b>\$215.00</b>

**What Do I Need to Know Before Paying this Invoice?**

You will need the Purchase Order Number. You will need to view the goods receipt to make sure that the quantity of goods that you are being billed for matches or does not exceed the quantity of goods received. You will need to view the tax code on the purchase order to make sure it matches the tax charged on the invoice.

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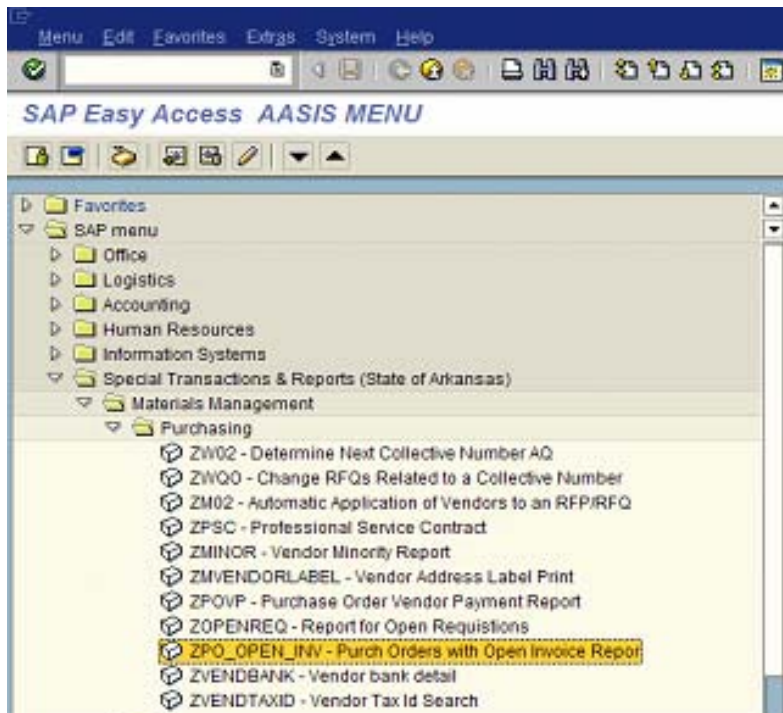
### Chapter 4 – Matching The Invoice to the Purchase Order

#### Where Do I Find the Purchase Order Number?

Use the ZPO\_OPEN\_INV report to get a list of goods receipts that have been posted without an invoice.

This report lists purchase orders for which goods receipts have been posted with no corresponding invoice receipt (MIRO). Possibly there is not corresponding invoice receipt because Transaction FB60 was used by mistake. Check with your agency's Accounts Payable person.

This report looks at large amounts of data, so users should be specific in making report selections (run by cost center, if possible).



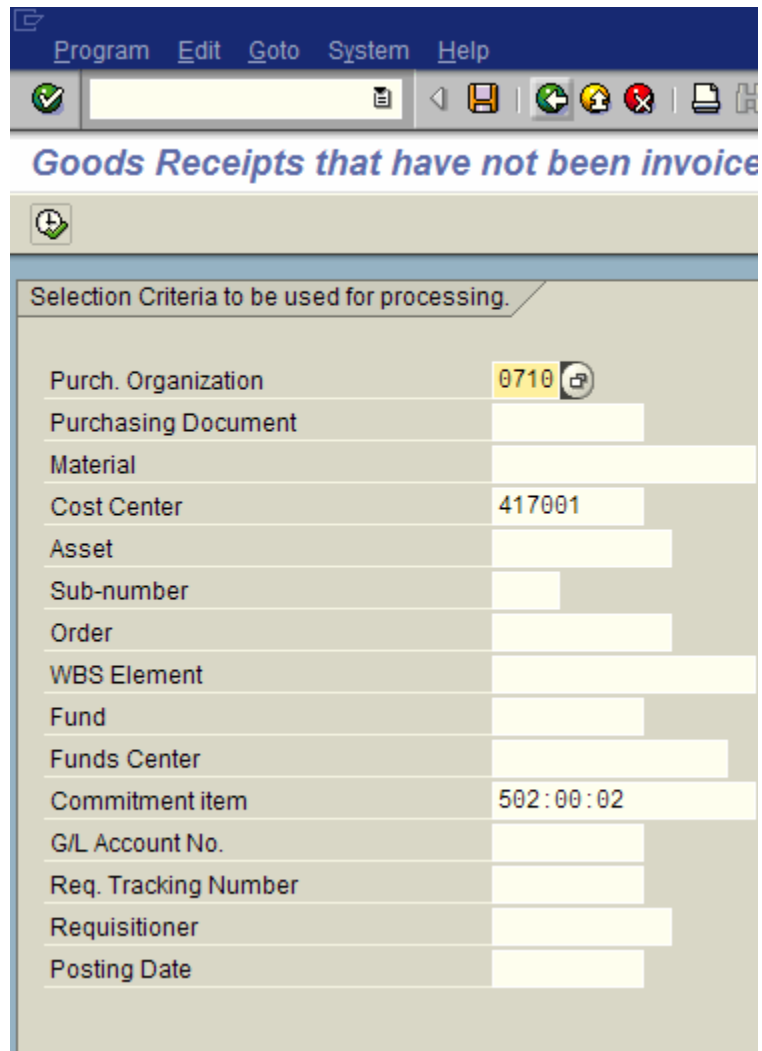
## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 4 – Matching The Invoice to the Purchase Order

#### Selecting the Report

In this example, search criteria are purchasing organization, cost center and commitment item. Note the other options and the option of searching by range or multiple selections.

Execute to continue.



The screenshot shows the SAP Logistics Invoice Verification Selection Criteria screen. The title bar includes the menu (Program, Edit, Goto, System, Help) and a toolbar with icons for search, save, and other functions. The main title is "Goods Receipts that have not been invoice". Below this is a section titled "Selection Criteria to be used for processing." which contains a list of search criteria and their corresponding values.

Selection Criteria	Value
Purch. Organization	0710
Purchasing Document	
Material	
Cost Center	417001
Asset	
Sub-number	
Order	
WBS Element	
Fund	
Funds Center	
Commitment item	502:00:02
G/L Account No.	
Req. Tracking Number	
Requisitioner	
Posting Date	

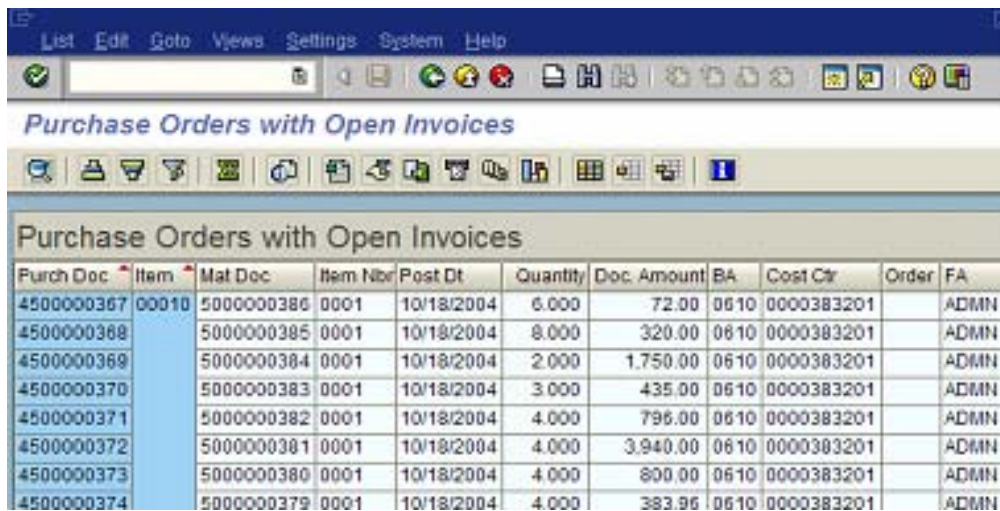
## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 4 – Matching The Invoice to the Purchase Order

#### Viewing the Report

This report will display the purchase order and material document numbers, the posting date, quantity, amount, business area, cost center, internal order number (if applicable) and the functional area.

Scroll to the right to continue viewing.

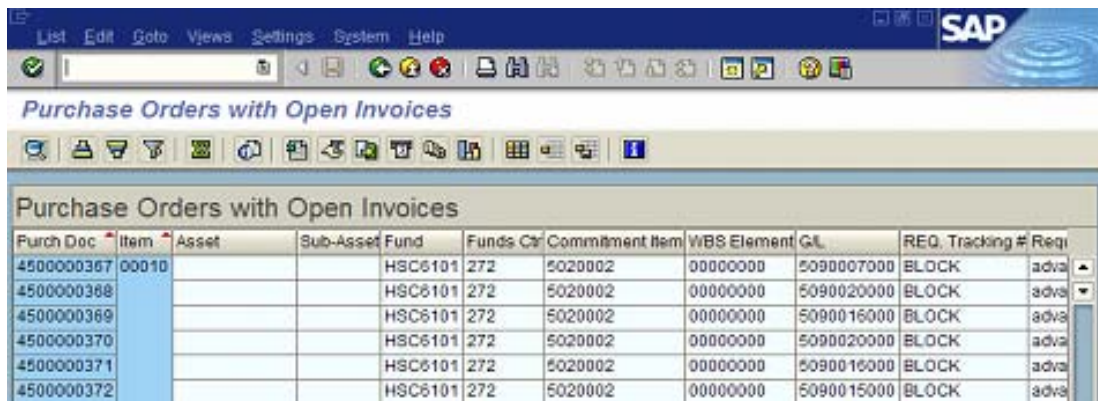


**Purchase Orders with Open Invoices**

Purch Doc	Item	Mat Doc	Item Nbr	Post Dt	Quantity	Doc. Amount	BA	Cost Ctr	Order	FA
4500000367	00010	5000000386	0001	10/18/2004	6.000	72.00	0610	0000383201		ADMIN
4500000368		5000000385	0001	10/18/2004	8.000	320.00	0610	0000383201		ADMIN
4500000369		5000000384	0001	10/18/2004	2.000	1,750.00	0610	0000383201		ADMIN
4500000370		5000000383	0001	10/18/2004	3.000	435.00	0610	0000383201		ADMIN
4500000371		5000000382	0001	10/18/2004	4.000	796.00	0610	0000383201		ADMIN
4500000372		5000000381	0001	10/18/2004	4.000	3,940.00	0610	0000383201		ADMIN
4500000373		5000000380	0001	10/18/2004	4.000	800.00	0610	0000383201		ADMIN
4500000374		5000000379	0001	10/18/2004	4.000	383.96	0610	0000383201		ADMIN

This report will also display the asset or sub-asset number (if applicable), fund, funds center, commitment item, WBS element (if applicable), G/L code, tracking number and requisitioner.

Remember, you cannot drill down from this report. If you want to display the purchase order, use transaction ME23N (instructions follow).



**Purchase Orders with Open Invoices**

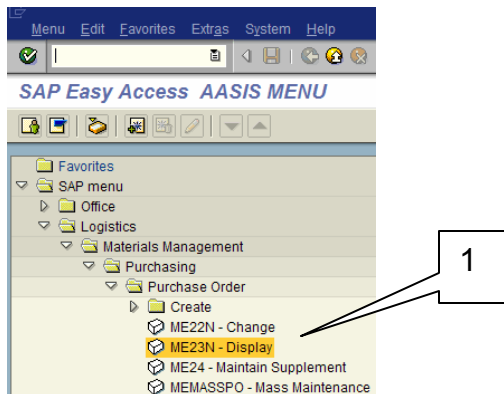
Purch Doc	Item	Asset	Sub-Asset	Fund	Funds Ctr	Commitment Item	WBS Element	G/L	REQ	Tracking #	Reqi
4500000367	00010			HSC6101	272	5020002	00000000	5090007000	BLOCK		adva
4500000368				HSC6101	272	5020002	00000000	5090020000	BLOCK		adva
4500000369				HSC6101	272	5020002	00000000	5090016000	BLOCK		adva
4500000370				HSC6101	272	5020002	00000000	5090020000	BLOCK		adva
4500000371				HSC6101	272	5020002	00000000	5090016000	BLOCK		adva
4500000372				HSC6101	272	5020002	00000000	5090015000	BLOCK		adva

## Accounts Payable Basics – Logistics Invoice Verification Process

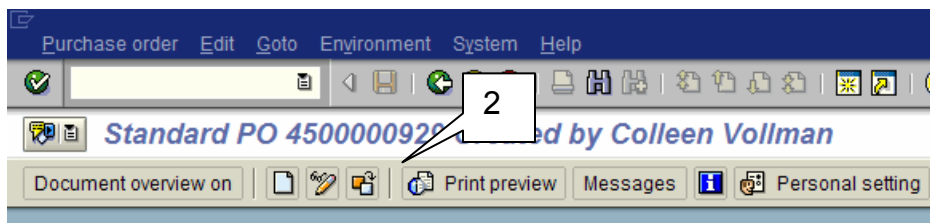
### Chapter 4 – Matching The Invoice to the Purchase Order

If the Purchase order you're looking for isn't on the ZPO\_OPEN\_INV report, chances are it hasn't had a goods receipt. You can search for it using transaction ME23N. You'll also use this transaction to view a purchase order that you located on the ZPO\_OPEN\_INV report. You can use the following steps to search for the purchase order:

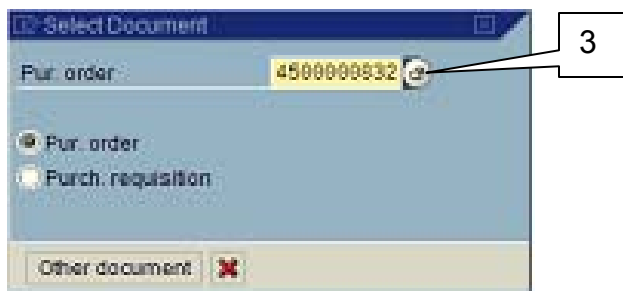
1. Open transaction ME23N.



2. Click the "Other Purchase Order" button (or Shift F5).



3. A box will pop up. Be sure that the Purchase Order radio button is selected and click the match code.



## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 4 – Matching The Invoice to the Purchase Order

4. The “Purchasing Document (2)” screen will appear. Click the button on the far right to display the list of tabs for this screen.

Purchasing Document Number (2)

Purchasing Documents per Asset    Purchasing Documents per Requirement Tracking Nu...

Asset: [ ]

Sub-number: [ ]

Company Code: [ ]

Purch. doc. category: [ ]

Purch. Organization: [ ]

Purchasing Document: [ ]

Item: [ ]

Seq. no. acct. asgt: [ ]

Maximum no. of hits: 500

[Save] [Print] [Help]

5. Choose the “Purchasing Documents Per Vendor” tab.

✓ Purchasing Documents per Asset

Purchasing Documents per Requirement Tracking Number

Requests for Quotation per RFQ Date

Purchase Orders per PO Date

Schedule Lines per Purchase Requisition

Purchasing Documents per Order

Purchase Orders for Services

Contracts for Services

Purchasing Documents per Cost Center

**Purchasing Documents per Vendor**

Purchasing Documents for Material

Purchasing Documents per Network

Purchasing Documents per Project

Requests for Quotation per Collective Number

Contracts per Agreement Date

Scheduling Agreements per Agreement Date

Purchasing Documents per Sales Document

Purchasing Documents per Supplying Plant

6. Enter as much information as you know on the tab. Most of the fields have drop-down search capability.
7. Click the green check or press the Enter key.

Purchasing Document Number (2)

Purchasing Documents per Cost Center    Purchasing Documents per Vendor

Vendor: 100000258

Purch. Organization: 0900

Purchasing Group: C00

Document date: 06/23/06

Purch. doc. category: F

Order type: [ ]

Purchasing Document: [ ]

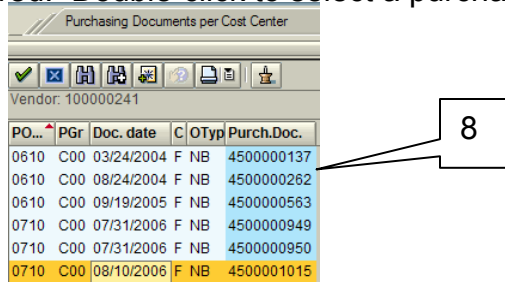
Maximum no. of hits: 500

[Green Check] [Print] [Help]

## Accounts Payable Basics – Logistics Invoice Verification Process

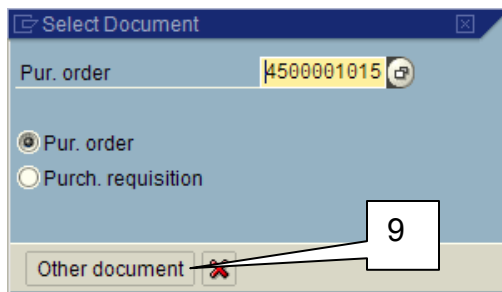
### Chapter 4 – Matching The Invoice to the Purchase Order

8. AASIS will return a list of purchase orders that match the criteria that you entered. Double-click to select a purchase order from the list.



PO...	PGr	Doc. date	C	O Typ	Purch.Doc.
0610	C00	03/24/2004	F	NB	4500000137
0610	C00	08/24/2004	F	NB	4500000262
0610	C00	09/19/2005	F	NB	4500000563
0710	C00	07/31/2006	F	NB	4500000949
0710	C00	07/31/2006	F	NB	4500000950
0710	C00	08/10/2006	F	NB	4500001015

9. Click the other document button



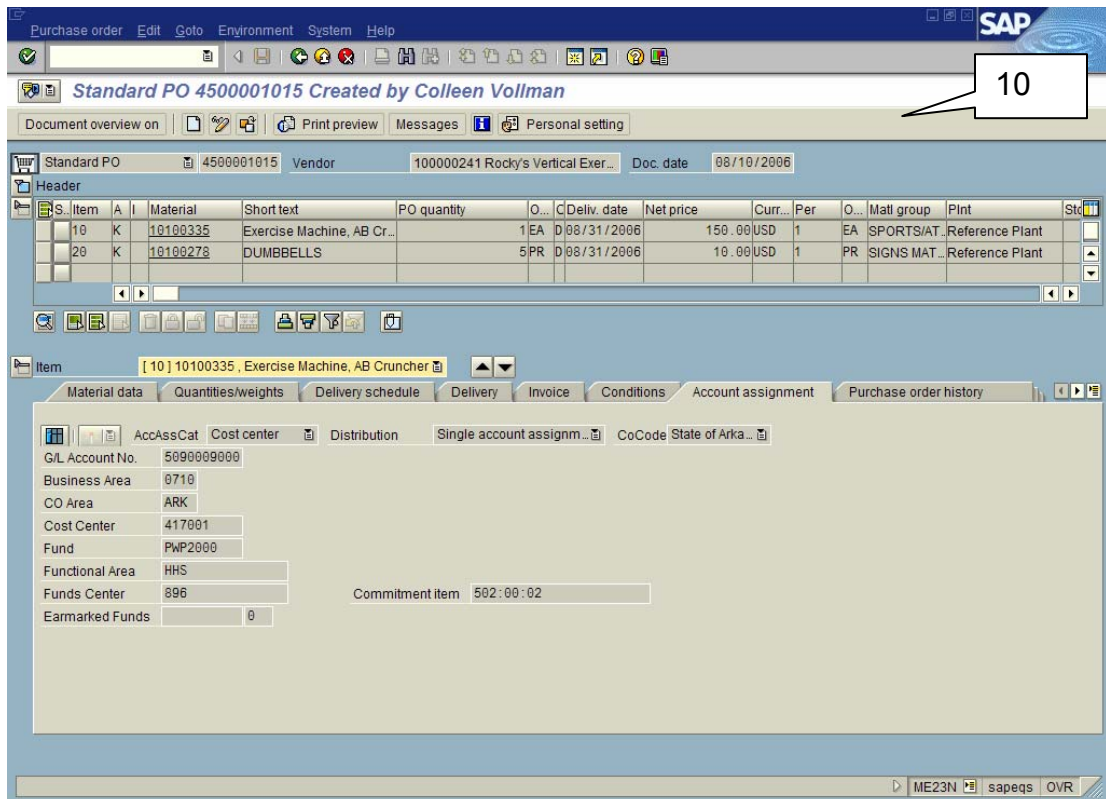
Select Document

Pur. order: 4500001015

☒ Pur. order  
☐ Purch. requisition

Other document

10. AASIS displays the selected purchase order. If the purchase order that you selected is not the right one, repeat the above steps and select another one from the list.



Purchase order Edit Goto Environment System Help

Standard PO 4500001015 Created by Colleen Vollman

Document overview on Print preview Messages Personal setting

Standard PO 4500001015 Vendor 100000241 Rocky's Vertical Exer... Doc. date 08/10/2006

S. Item	A	Material	Short text	PO quantity	O...	C Deliv. date	Net price	Curr...	Per	O...	Matl group	Pint	St...
10	K	10100335	Exercise Machine, AB Cr...	1	EA	D 08/31/2006	150.00	USD	1	EA	SPORTS/AT...	Reference Plant	
20	K	10100278	DUMBBELLS	5	PR	D 08/31/2006	10.00	USD	1	PR	SIGNS MAT...	Reference Plant	

Item: [10] 10100335, Exercise Machine, AB Cruncher

Material data Quantities/weights Delivery schedule Delivery Invoice Conditions Account assignment Purchase order history

AccAssCat Cost center Distribution Single account assignm... CoCode State of Arka...

GL Account No. 5090000000  
 Business Area 0710  
 CO Area ARK  
 Cost Center 417001  
 Fund PwP2000  
 Functional Area HHS  
 Funds Center 096  
 Earmarked Funds 0

Commitment item 502:00:02

ME23N sapergs OVR



## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 4 – Matching The Invoice to the Purchase Order

#### Now That I Have the Purchase Order, What Am I Looking For?

There will be three sections on the purchase order—the header, the item overview and the item detail. The invoice that you are paying may be for all or part of the items on the purchase order. Compare your invoice to the line items on the purchase order.

The screenshot shows the SAP Purchase Order interface. Callouts identify the following sections:

- Header (Collapsed):** Points to the top section of the PO.
- Item Overview:** Points to the table listing materials, quantities, and prices.
- Item Detail:** Points to the expanded view of a specific material (Exercise Machine, AB Cruncher).
- Line Items:** Points to the table listing materials, quantities, and prices.

**Rocky's Vertical Exercise Experience**  
**77 Hangan Road**  
**Seattle, WA 98107**

**INVOICE**

**Invoice Number: 55775**  
**Your Purchase Order: 4500000831**  
**Invoice Date: 6/23/2006**

<b>1 Exercise Machine (Ab Cruncher).....</b>	<b>\$150.00</b>
<b>5 Pr. Dumbbells.....</b>	<b>\$50.00</b>
<b>Sales Tax.....</b>	<b>\$15.00</b>
<b>Total.....</b>	<b>\$215.00</b>

This seems to be the right Purchase Order. The Purchase order number, vendor, and products ordered agree with the invoice.

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 4 – Matching The Invoice to the Purchase Order

Next, you'll want to check the goods receipt and the tax code. These items are both contained in the Item Detail section. If the detail section is collapsed, click the Expand button next to the item detail section to display it.



The item detail section displays one item at a time. In this example, item 10 (the first item) is selected. Tabs on the display let you view different types of information.

The screenshot shows the SAP Item Detail view for Item 10. A callout box labeled 'Item 10' points to the item selection bar at the top, which displays '[ 10 ] 10100335 , Exercise Machine, AB Cruncher'. Another callout box labeled 'Tabs' points to the tabbed interface at the top of the main data area. The tabs include 'Material data', 'Quantities/weights', 'Delivery schedule', 'Delivery', 'Invoice', 'Conditions', and 'Account assignment'. The 'Material data' tab is currently active, showing a list of fields with their corresponding values:

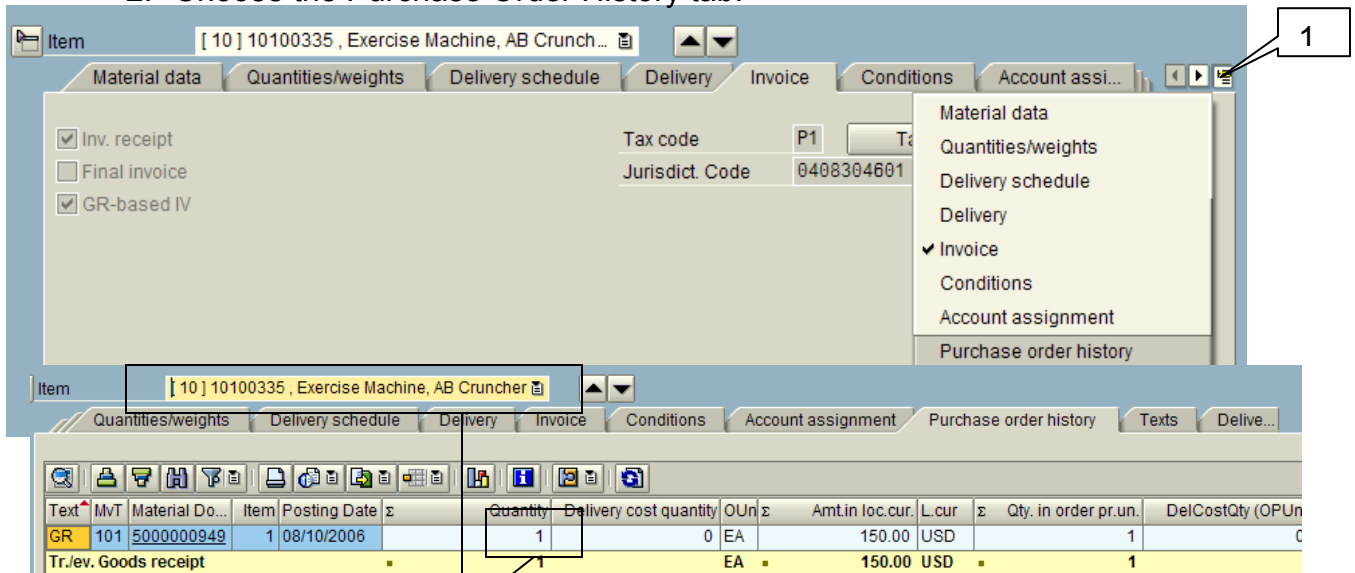
Field	Value
G/L Account No.	5090009000
Business Area	0710
CO Area	ARK
Cost Center	417001
Fund	PWP2000
Functional Area	HHS
Funds Center	896
Earmarked Funds	0
Commitment item	502:00:02

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 4 – Matching The Invoice to the Purchase Order

You'll want to check to make sure the quantity of goods that you are being billed for matches or does not exceed the quantity of goods received. This information is available on the Purchase Order History tab.

1. Click the available tabs button.
2. Choose the Purchase Order History tab.



**Rocky's Vertical Exercise Experience**  
**77 Hangan Road**  
**Seattle, WA 98107**

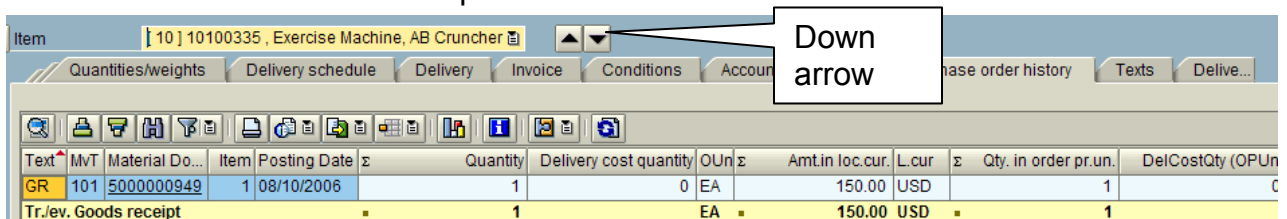
**INVOICE**

**Invoice Number: 55775**  
**Your Purchase Order: 4500001015**  
**Invoice Date: 6/23/2006**

**1 Exercise Machine (Ab Cruncher).....\$150.00**  
**5 Pr. Dumbbells.....50.00**  
**Sales Tax.....15.00**

**Total.....\$215.00**

One Ab Cruncher Machine was ordered and one is being invoiced. The goods receipt and the invoice for the first item match. Click the down arrow to view the second item on the purchase order.



## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 4 – Matching The Invoice to the Purchase Order

The second item on the purchase order displays.

Compare the quantity received on the purchase order history tab to the amount billed on the invoice.

[ 20 ] 10100278 , DUMBBELLS

Quantities/weights
Delivery schedule
Delivery
Invoice
Conditions
Account assignment
Purchase order history
Texts
Delive...

Text	MVT	Material Do...	Item	Posting Date	z	Quantity	Delivery cost quantity	OU	z	Amt.in loc.cur.	L.cur	z	Qty. in order pr.un.	DelCostQty (OP
GR	101	5000000949	2	08/10/2006		5		0	PR	50.00	USD		5	
Tr./ev. Goods receipt						5		PR		50.00	USD		5	


**Rocky's Vertical Exercise Experience**

**77 Hangan Road  
Seattle, WA 98107**

**INVOICE**

**Invoice Number: 55775**  
**Your Purchase Order: 4500000831**  
**Invoice Date: 6/23/2006**

1 Exercise Machine (Ab Cruncher).....	\$150.00
5 Pr. Dumbbells.....	50.00
Sales Tax.....	15.00
<b>Total.....</b>	<b>\$215.00</b>



Five pairs of dumbbells were ordered and five are being invoiced. The goods receipt and the invoice for the second item match. The next thing to check is the tax code to see if the tax code on the purchase order agrees with the type of tax on the invoice. Click the Invoice tab on the purchase order to view the tax code.

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 4 – Matching The Invoice to the Purchase Order

Item [ 20 ] 10100278 , DUMBBELLS

Quantities/weights Delivery schedule Delivery Invoice Conditions

☒ Inv. receipt  
☐ Final invoice  
☒ GR-based IV


Tax code  
Jurisdict. Code 0411903201

The tax code on the purchase order should be P1, since the sales tax is *included* on the invoice.

**Rocky's Vertical Exercise Experience**  
77 Hangan Road  
Seattle, WA 98107

**INVOICE**

Invoice Number: 55775  
Your Purchase Order: 4500001015  
Invoice Date: 6/23/2006



1 Exercise Machine (Ab Cruncher).....	\$150.00
5 Pr. Dumbbells.....	50.00
Sales Tax.....	15.00
<b>Total.....</b>	<b>\$215.00</b>

Note that the tax code is *blank* on the purchase order. This is an *error* that will affect postings in the General Ledger. The goods receipt must be reversed, the purchase order must be corrected, and the goods receipt must be re-entered before the invoice can be posted. Follow the procedure at your agency for getting this done.

Once the error correction is complete, the tax code on both lines of the purchase order should match the invoice tax code.

Item [ 10 ] 10100335 , Exercise Machine, AB Crunch...

Delivery schedule Delivery Invoice Conditions Account assignment Purchase order history

☒ Inv. receipt  
☐ Final invoice  
☒ GR-based IV

Tax code P1 Taxes  
Jurisdict. Code 0408304601

Item [ 20 ] 10100278 , DUMBBELLS

Delivery schedule Delivery Invoice Conditions Account assignment Purchase order history

☒ Inv. receipt  
☐ Final invoice  
☒ GR-based IV

Tax code P1 Taxes  
Jurisdict. Code 0411903201

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 4 – Matching The Invoice to the Purchase Order

#### How Do I Know What the Tax Code Should Be?

The Accounts Payable tax codes used in AASIS are:

P0 Tax Exempt

P1 Sales Tax

U1 Use Tax

If sales tax is included on the invoice, the P1 code is used. This tax code should appear on the purchase order and you should enter P1 on the MIRO document.

If sales tax is not included on the invoice, the item being paid for is either not subject to tax, or is subject to use tax.

Items not subject to tax include goods purchased for resale, reimbursements such as employee travel expenses, and some services. If the item is not subject to tax, the code on both the purchase order and invoice should be P0.

Use tax is accrued on taxable items when the vendor (usually an out-of-state vendor) does not collect the tax. The U1 code allows AASIS to accrue the tax as a payable and debit the expense or asset item being paid for in the amount of the tax. In this case, tax code U1 should be indicated on both the purchase order and the invoice document.

If you aren't sure whether an item is taxable or not, contact the sales tax division at the Department of Finance and Administration, or visit DFA's tax web site [http://www.arkansas.gov/dfa/excise\\_tax\\_v2/st\\_index.html](http://www.arkansas.gov/dfa/excise_tax_v2/st_index.html) and follow the links.

#### How Do I Know How Much Tax the System Calculated?

You can compare the tax computed by AASIS with the tax on the purchase order by clicking on the conditions tab.

CnTy	Name	Amount	CrCy	per	U...	Condition value	Curr.	Num...	OUn	CCon...	Un	Condition value	CdC...
PBXX	Gross Price	150.00	USD	1	EA	150.00	USD	1	EA	1	EA	0.00	
	Net Value	150.00	USD	1	EA	150.00	USD	1	EA	1	EA	0.00	
NAYM	Non-Deductible Tax	11.25	USD			11.25	USD	0		0		0.00	
	Tax	11.25	USD	1	EA	11.25	USD	1	EA	1	EA	0.00	
	Net including tax &	161.25	USD	1	EA	161.25	USD	1	EA	1	EA	0.00	
SKTO	Cash Discount	0.000	%			0.00	USD	0		0		0.00	
	Freight/Customs	0.00	USD	1	EA	0.00	USD	1	EA	1	EA	0.00	

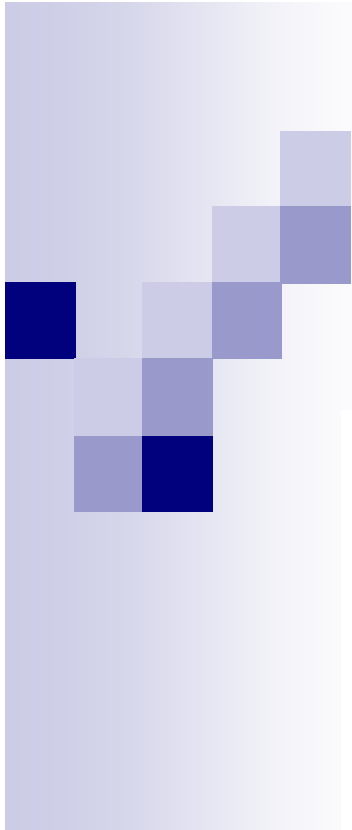
Note the tax calculated by the system.

**Accounts Payable Basics – Logistics Invoice Verification Process**  
**Chapter 4 – Matching The Invoice to the Purchase Order**

**What If the Tax Calculated by the System Is Different From the Tax on the Invoice?**

AASIS will allow you to enter an invoice within 10% or \$100 of the amount of the purchase order amount, whichever is less. This gives you some leeway on the tax calculation.

After verifying the lines on the purchase order, you are ready to proceed with the transaction MIRO to post the invoice.



# **Accounts Payable Basics – Logistics Invoice Verification Process**

Chapter 5  
Entering the MIRO Invoice  
Verification with No Tax



**Accounts Payable Basics – Logistics Invoice Verification Process**  
**Chapter 5 – Entering the MIRO Invoice Verification with No Tax**

**How Do I Enter a MIRO Invoice Verification with A “P0” Tax Code?**

You have received the following invoice from a vendor:

**S. Keemo's Snow Cones, Inc.**  
**22 Sugar Plum Lane**  
**Little Rock, AR 72209**



**INVOICE**

**Invoice Number: 57683**

**Your Purchase Order: 4500001016**

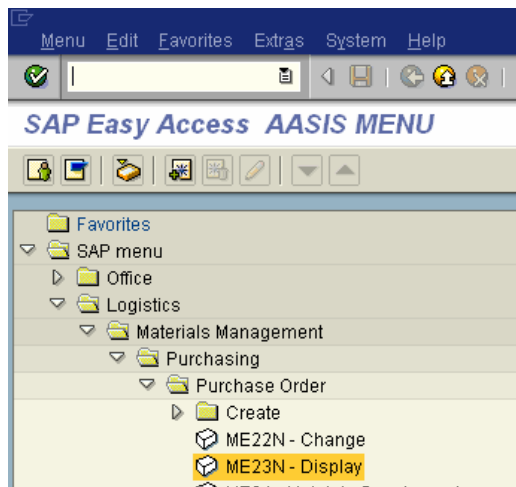
**Invoice Date: 8/10/2006**

**20 Bottles Cherry Syrup (for resale).....\$150.00**

**Total.....\$150.00**

First, you need to locate the purchase order. The vendor has helpfully included the purchase order number on the invoice.

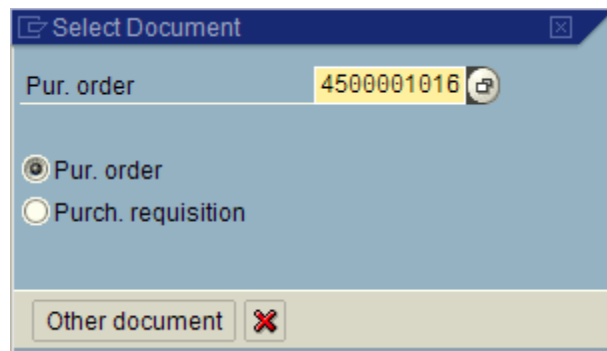
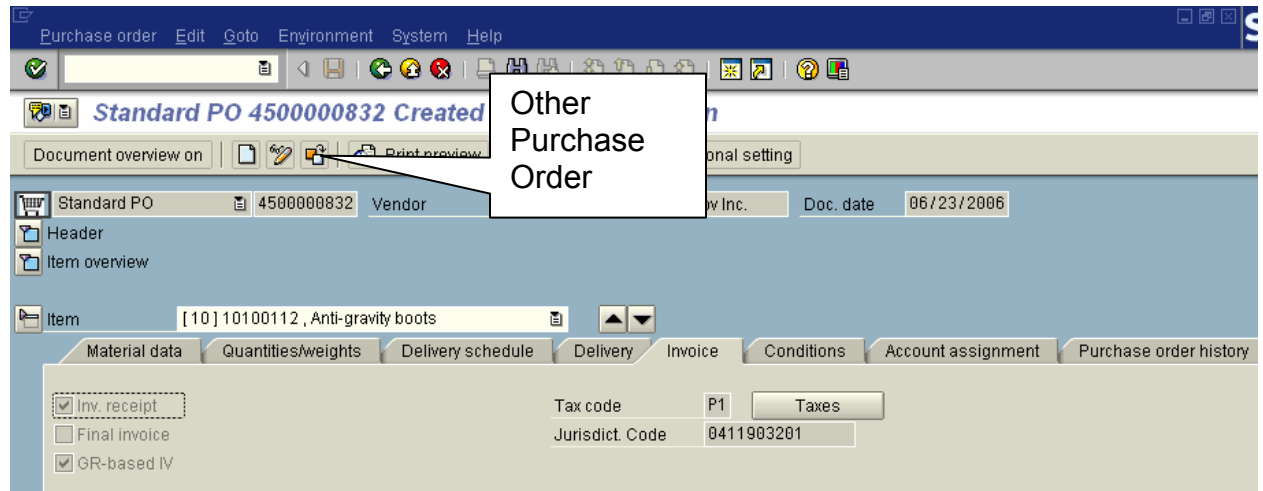
Use transaction ME23N (Menu Path: Logistics>Materials Management>Purchasing> Purchase Order> Display



## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 5 – Entering the MIRO Invoice Verification with No Tax

Click the “other purchase order” button to enter the PO number.



Enter the purchase order number if you know it, or use the match code to search. Click the other document button. The purchase order associated with your invoice should now display.

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 5 – Entering the MIRO Invoice Verification with No Tax

Open the sections as necessary. On the item detail section, choose the Purchase Order History tab. Compare the quantity of goods received with the quantity of goods on the invoice.

Item		10   10100070 , food for resale																					
Quantities/weights		Delivery schedule		Delivery		Invoice		Conditions		Account assignment		Purchase order history		Texts		Delive...							
<div></div>																							
Text	MvT	Material Do...	Item	Posting Date	Σ	Quantity	Delivery cost quantity	OU	Σ	Amt.in loc.cur.	L.cur	Σ	Qty. in order pr.un.	DelCostQty (OP									
GR	101	5000000950	1	08/10/2006		20		0	EA	150.00	USD		20										
Tr./ev. Goods receipt						20			EA	150.00	USD		20										

S. Keemo's Snow Cones, Inc.  
22 Sugar Plum Lane  
Little Rock, AR 72209



### INVOICE

**Invoice Number: 57683**

**Your Purchase Order: 4500000833**

**Invoice Date: 8/10/2006**

**20 Bottles Cherry Syrup (for resale).....\$150.00**

**Total.....\$150.00**

The goods receipt agrees with the invoice. Food for resale was ordered, Food for resale is being billed. Twenty bottles were ordered, twenty bottles are being billed.

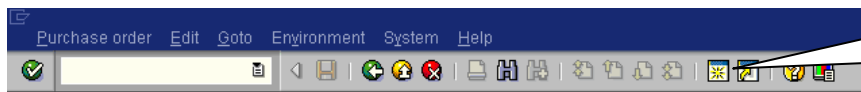
Next, you'll need to check the tax code. There is no tax on the invoice, which is correct. The State does not pay tax on items purchased for resale, so the tax code should be P0 (tax exempt). Click the Invoice tab on the purchase order to verify that the tax code is P0.

Item		[10] 10100070 , food for resale															
Quantities/weights		Delivery schedule		Delivery		Invoice		Conditions		Account assignment							
<input checked="" type="checkbox"/> Inv. receipt		<input type="checkbox"/> Final invoice		<input checked="" type="checkbox"/> GR-based IV		Tax code		P0		Taxes							
						Jurisdict. Code		0411903201									

## Accounts Payable Basics – Logistics Invoice Verification Process

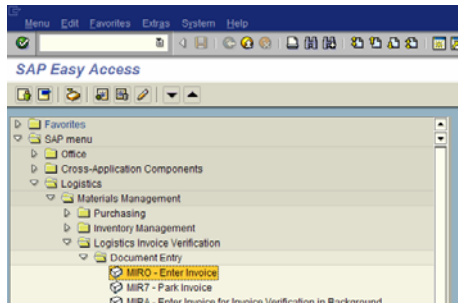
### Chapter 5 – Entering the MIRO Invoice Verification with No Tax

Now that you have verified that the invoice matches the purchase order, you are ready to continue with transaction MIRO. You'll want to keep the purchase order displayed, so open another session of AASIS to enter the MIRO.



Click here to open another session

Use the MIRO transaction to enter the invoice.



1. On the Basic Data Tab, enter the Invoice Date. This will be used as the baseline date in calculating the date that the invoice will pay.
2. In the Reference field type the vendor's invoice number. The system will check that field for duplicate invoices.
3. Enter the amount due to the vendor, in the Amount field.
4. Select the "P0" (tax exempt) tax code and Calculate tax..
5. In the text field you may enter any text (up to 50 characters) that you wish to have appear on the remittance.
6. Enter the Purchase Order number. If you didn't know the purchase order number, you could use the match code to search.

Invoice document Edit Goto System Help

Enter Incoming Invoice: Company Code ARK

Show PO structure Show worklist Hold Simulate Me

Transaction Invoice

Basic data Payment Tax Contacts Note

Invoice date 08/10/2006 Reference 57683

Date 08/10/2006

Amount 150.00 USD Calculate tax

Tax amount 0.00 P0 (Accounts Payable S...)

Text Invoice #57683 Snow Cone Syrup for resale

Paymt terms 15 Days net

Baseline date 08/10/2006

Company Code ARK State of Arkansas Little Rock

Purchase Order/Scheduling Agreeeme... 4500001016

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 5 – Entering the MIRO Invoice Verification with No Tax

When you press the enter key the purchase order information will be copied into the invoice.

7. Click the Details tab to continue.

8. The only required field on the Details tab is the Business Area.

9. Enter information in the assignment field. The assignment field will print on the remittance. The recommended entry is the invoice number.

10. Enter information in the Header Text field. Header texts will also print on the remittance.

11. If the vendor charged delivery costs that were not included on the purchase order, enter them in the Unpl. Del. Csts. field.

12. The Planning Day field date is defaulted from the PO and is system derived. Do not change this field. The date will not affect the payment.

13. The vendor number is derived from the purchase order.

14. Click on the Payment tab to continue.

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 5 – Entering the MIRO Invoice Verification with No Tax

15. The Pmt. Method field is a required field. Enter “W” for warrant being paid from a treasury account. Enter “C” if the invoice is being paid by check from the agency bank. Enter “A” for a direct deposit from Treasury into the vendor’s account.
16. The House Bank is also a required field. Enter TREAS if the invoice is payment methods “A” & “W” being paid from a treasury account. Enter your AASIS house bank if payment method is “C” an being paid from an agency cash account.
17. Check the Payment terms field. Change the payment terms as desired. AASIS will pay the vendor on the date based on the number of days you select from the baseline date. Only payment terms that begin with NT and payment terms 0001 are valid for accounts payable.
18. The Payment Method Sup. Field is used to mark the warrant for pickup, request grouping by business area, or request not to print payment advice.
19. The payment reference field is used to control the number of payments sent to the vendor. Make an entry in this field to generate a separate payment for this invoice. To combine all invoices in one payment, leave it blank or enter the same reference for multiple invoices to be combined.
20. Click on the Tax tab to continue.

The screenshot shows the MIRO Invoice Verification form with the following fields and callouts:

- Callout 15:** Points to the **Pmt Method** field, which contains the value **W**.
- Callout 16:** Points to the **House bank** field, which contains the value **TREAS**.
- Callout 17:** Points to the **Pmnt terms** field, which contains the value **NT15**.
- Callout 18:** Points to the **Pmnt Meth.Sup.** field, which contains the value **A**.
- Callout 19:** Points to the **Payment Ref.** field, which contains the value **COMBINE PAYMENTS**.
- Callout 20:** Points to the **Tax** tab at the top of the form.

The form also includes the following fields:

- BaselineDt:** 08/10/2006
- Due on:** 08/25/2006
- Discount:** (blank)
- USD:** (blank)
- Inv.ref.:** (blank)
- Part. bank:** (blank)
- Pmnt block:** (blank)
- Free for payment:** (checkbox, unchecked)

The bottom of the form shows the **Purchase Order/Scheduling Agreeeme...** field with the value **4500001016**.

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 5 – Entering the MIRO Invoice Verification with No Tax

No entry is required. Tax data is copied from the basic data tab.

21. Click on the Contacts tab to continue.

The screenshot shows the SAP MIRO 'Enter Incoming Invoice' screen for Company Code ARK. The 'Transaction' field is set to 'Invoice'. The 'Contacts' tab is selected, indicated by a callout bubble with the number 21. The 'Tax Data' table is visible, showing tax code 'P0' and jurisdiction '0411903201'. The 'Calculate tax' checkbox is unchecked. The 'Net proposal' and 'Delete Row' buttons are also visible.

Tax doc.c...	Tax code	Jurisdic. Co...
0.00	P0 (Accounts...	0411903201

You can view contact information from the Contacts tab. If you have a problem with a line item on the invoice, you can look at this tab to know who you can contact.

22. Click on the Note tab to continue.

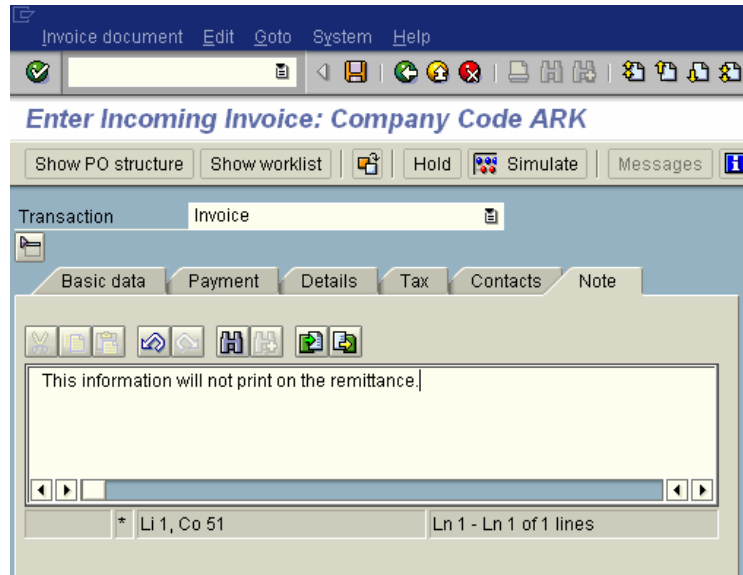
The screenshot shows the SAP MIRO 'Enter Incoming Invoice' screen for Company Code ARK. The 'Transaction' field is set to 'Invoice'. The 'Note' tab is selected, indicated by a callout bubble with the number 22. The 'Invoice item' field is set to '1'. The 'Short Text' field contains 'food for resale'. The 'Requisitioner' field contains 'trisha'. The 'Buyer' field contains 'Colleen Vollman'. The 'GR processor' field contains 'Colleen Vollman'. The '683-2090 2090' field is also visible.

Invoice item	Short Text	Requisitioner	Buyer	GR processor	683-2090 2090
1	food for resale	trisha	Colleen Vollman	Colleen Vollman	683-2090 2090

## Accounts Payable Basics – Logistics Invoice Verification Process

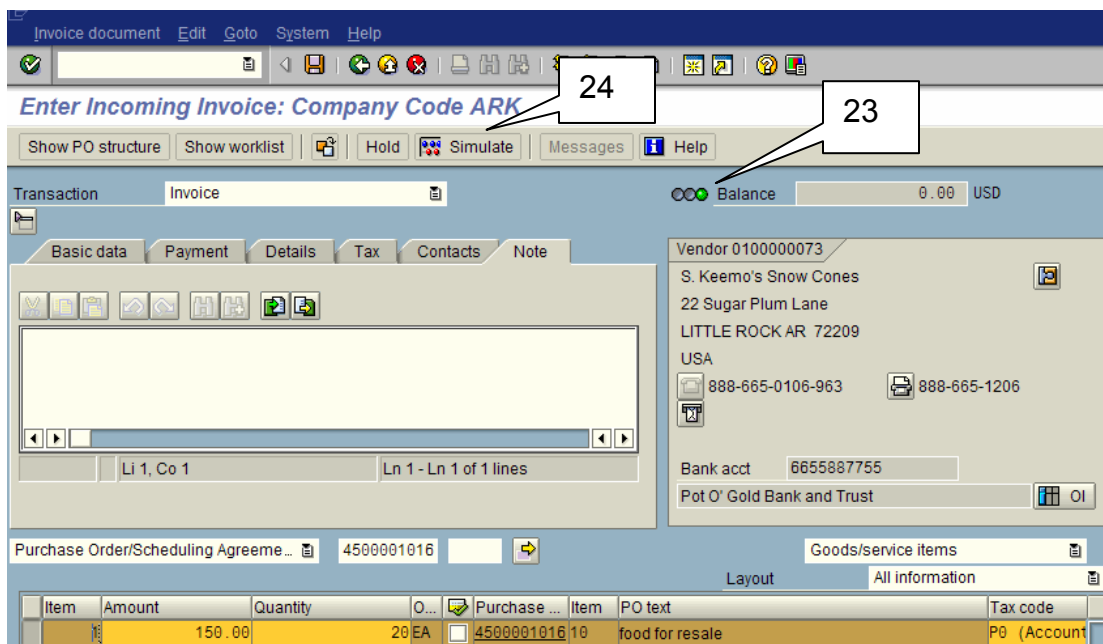
### Chapter 5 – Entering the MIRO Invoice Verification with No Tax

You can enter notes on the Note tab. This information is for internal use only; it does not print on the invoice or remittance.



23. When the document is balanced between debits and credits, the stoplight style indicator will show green and the balance will show "0". If the stoplight style indicator shows red or yellow the document has an issue. Reasons may be that there is a budget error, the document value is over the tolerance set (10% or \$100.00), or the period is not open.

24. Click the Simulate Button to view the document as entered.



Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
10	150.00	20 EA		4500001016	10	food for resale	P0 (Account



## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 5 – Entering the MIRO Invoice Verification with No Tax

25. View the document. Verify that the cost center and GL code are correct before posting. You may post from this screen or hit the back button to make changes to the document.

**NOTE:** Verify that the cost center, fund, funds center and commitment item are correct before you post the document. If you see any errors, contact the person on the contact tab.

Position	A/G/L	Acc/mat/asset/vend	Amount	Cu...	Purchasin...	Item	T.	Jurisdct. Code	Tax date	Bu...	Cost C.
1	K2110001000	S. Keemo's Snow Co...	150.00	USD				P0		0710	
2	S2111001000	Goods Receipt/Invoic...	150.00	USD	4500001016	10		P00411903201		0710	41700

Debit: 150.00      Credit: 150.00      Bal.: 0.00

Back    Post

26. Note the document number at the bottom of the screen. This will be the MM document number. There will also be other document numbers created at the same time for the document posting in the FI, FM, SPL, and Controlling modules of AASIS.

Enter Incoming Invoice: Company Code ARK

Transaction: Invoice

Basic data    Payment    Details    Tax    Contacts    Note

Invoice date:    Reference:    Calculate tax

Posting Date: 06/27/2006

Amount:    PO (Accounts Payable S.:

Tax amount:    Company Code: ARK: State of Arkansas Little Rock

Text:    Lot No.:

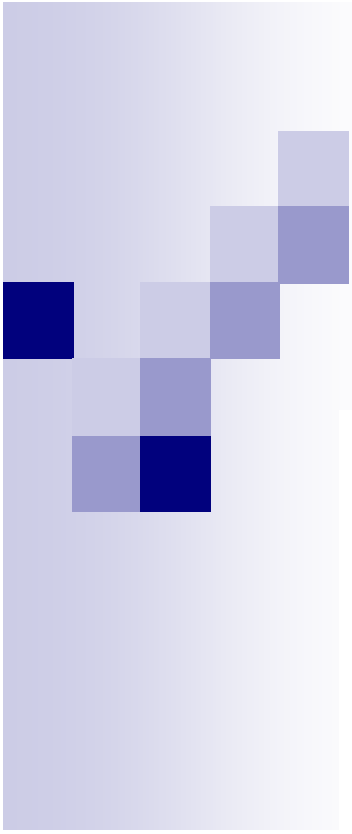
Purchase Order/Scheduling Agreement:    Goods/Service #:

Item	Amount	Quantity	O.	Purchase	Item	IPO text
------	--------	----------	----	----------	------	----------

Document no. 261 created

### Exercise:

Enter and post the MIRO for your assigned "No Sales Tax" P0 invoice.



# **Accounts Payable Basics – Logistics Invoice Verification Process**

Chapter 6  
Vendor Master Data

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 6 Vendor Master Data

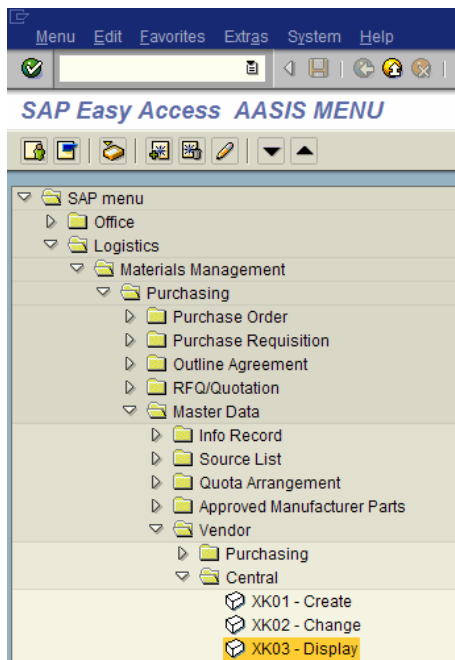
#### Vendor Master Data

Each vendor has a master record in AASIS that is maintained by the Office of State Procurement. The master record contains data that accounts payable end users call upon in processing transactions.

Viewing the vendor master data can help determine where to send the payment and what type of payment the vendor will take (warrant, check, ACH). You can check payment terms and find contact information for the vendor.

When there are multiple vendors with the same name (Office Depot, Wal-Mart, etc.) you can compare the remittance address on the invoice to the one on the master record.

To display the vendor master record, use transaction XK03.



Accounts Payable Basics – Logistics Invoice Verification Process  
Chapter 6 Vendor Master Data

1. Enter the vendor number, or use the match code to search. Enter Company Code ARK and your Purchasing Organization (same as Business Area)
2. Click all of the checkboxes (except Withholding tax, which is not functional) and press the Enter key.

The screenshot displays the 'Display Vendor: Initial Screen' in SAP. The menu bar includes 'Vendor', 'Edit', 'Goto', 'Extras', 'Environment', 'System', and 'Help'. Below the menu is a toolbar with various icons. The main area shows the following data:

Vendor	100000073	S. Keemo's Snow Cones
Company Code	ARK	State of Arkansas
Purch. Organization	0710	HEALTH HUMAN SVCS

Callout 1 points to the Vendor field '100000073'. Callout 2 points to the 'General data' section, which contains the following checkboxes:

- ☒ Address
- ☒ Control
- ☒ Payment transactions

The 'Company code data' section contains the following checkboxes:

- ☒ Accounting info
- ☒ Payment transactions
- ☒ Correspondence
- ☐ Withholding tax

The 'Purchasing organization data' section contains the following checkboxes:

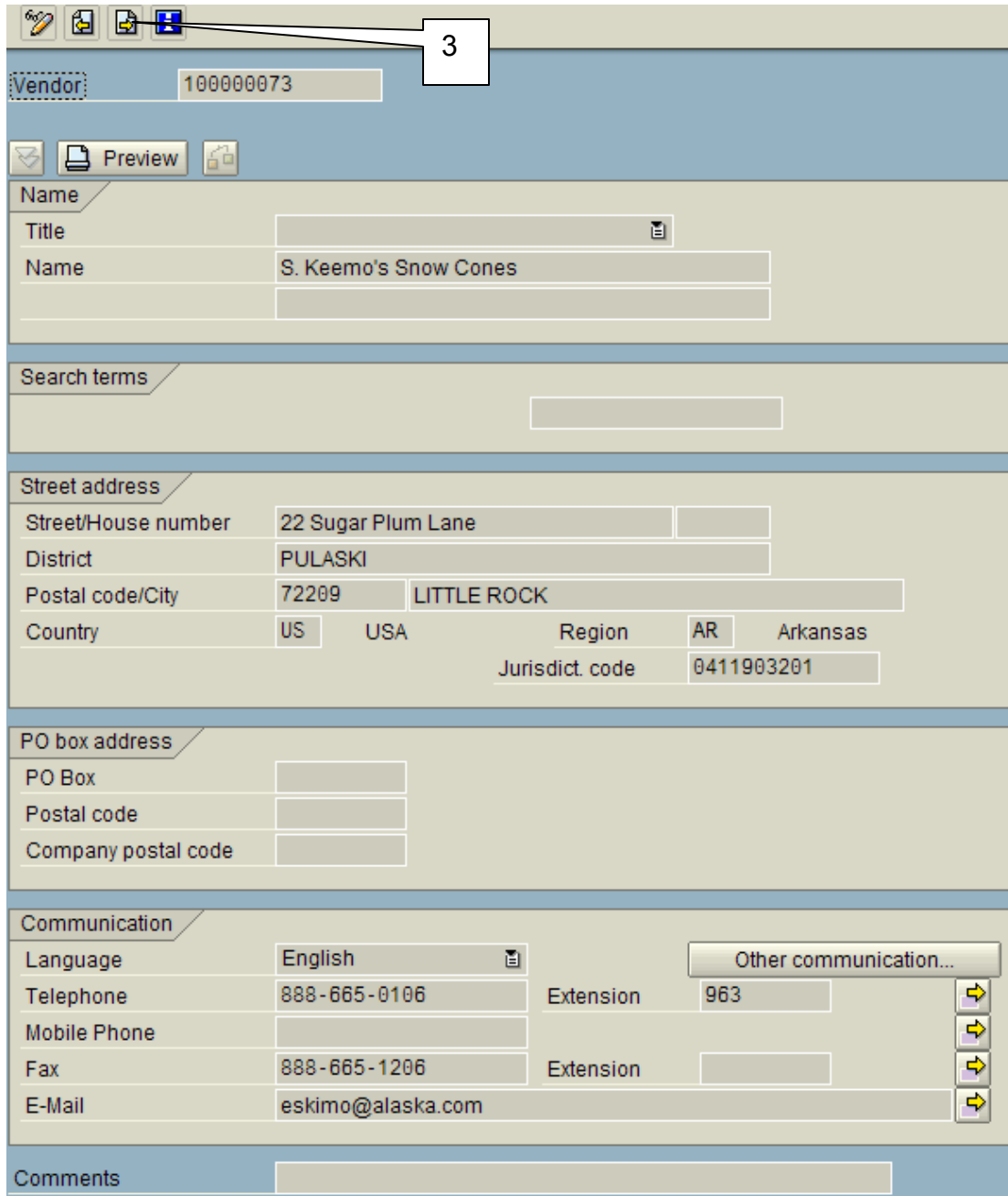
- ☒ Purchasing data
- ☒ Partner functions

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 6 Vendor Master Data

The first page displays the vendor's name and address. Contact information, if available, will be displayed at the bottom of the page.

3. Click the Next page button to see more.



The screenshot shows a web-based form for Vendor Master Data. At the top, there is a header bar with icons and a callout box labeled '3' pointing to the 'Next page' button. Below the header, the 'Vendor' field is populated with '100000073'. The form is divided into several sections: 'Name', 'Search terms', 'Street address', 'PO box address', 'Communication', and 'Comments'. The 'Name' section includes fields for 'Title' and 'Name', with 'S. Keemo's Snow Cones' entered in the 'Name' field. The 'Search terms' section has a single text input field. The 'Street address' section includes fields for 'Street/House number' (22 Sugar Plum Lane), 'District' (PULASKI), 'Postal code/City' (72209 LITTLE ROCK), 'Country' (US), 'Region' (AR), 'Arkansas', and 'Jurisdict. code' (0411903201). The 'PO box address' section includes fields for 'PO Box', 'Postal code', and 'Company postal code'. The 'Communication' section includes fields for 'Language' (English), 'Telephone' (888-665-0106), 'Extension' (963), 'Mobile Phone', 'Fax' (888-665-1206), 'Extension', and 'E-Mail' (eskimo@alaska.com). There is also a button labeled 'Other communication...'. The 'Comments' section has a single text input field.

Vendor	
100000073	
Preview	
Name	
Title	
Name	S. Keemo's Snow Cones
Search terms	
Street address	
Street/House number	22 Sugar Plum Lane
District	PULASKI
Postal code/City	72209 LITTLE ROCK
Country	US USA
Region	AR Arkansas
Jurisdict. code	0411903201
PO box address	
PO Box	
Postal code	
Company postal code	
Communication	
Language	English
Telephone	888-665-0106
Extension	963
Mobile Phone	
Fax	888-665-1206
Extension	
E-Mail	eskimo@alaska.com
Other communication...	
Comments	

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 6 Vendor Master Data

The jurisdiction code is used by the tax calculation software to determine the amount of sales tax applicable to the vendor location. Click the next page button to continue.

The screenshot shows the 'Display Vendor: Control' screen in SAP. The menu bar includes 'Vendor', 'Edit', 'Goto', 'Extras', 'Environment', 'System', and 'Help'. The toolbar contains various icons for navigation and actions. The main header displays 'Vendor' with ID '100000073', name 'S. Keemo's Snow Cones', and location 'LITTLE ROCK'. Below this, there are three sections: 'Account control' with fields for 'Customer', 'Authorization' (set to 'VEND'), and 'Group key'; 'Tax information' with fields for 'Jurisdict. Code' (0411903201), 'Tax office', and 'Tax Number'; and 'Reference data' with fields for 'Industry' and 'POD-relevant'.

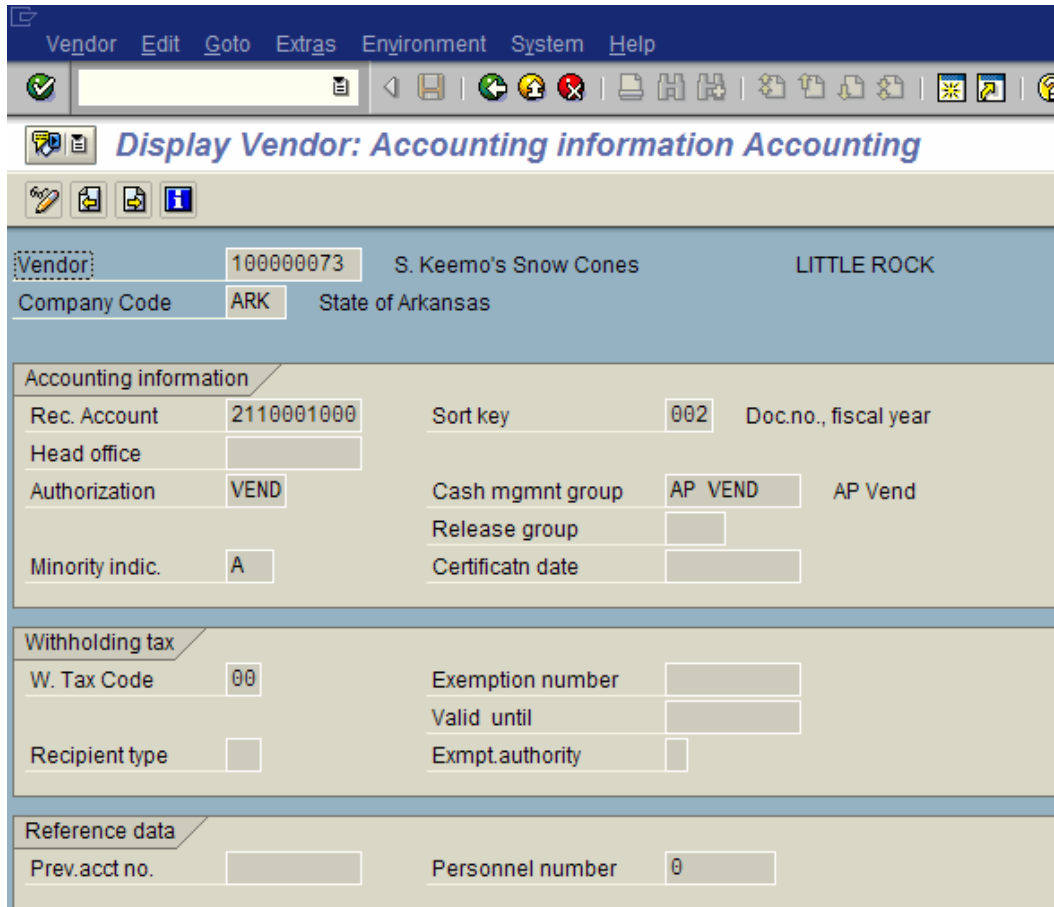
The alternative Payee screen is rarely used by AASIS. It may be used in case of garnishment of vendor payments. Click the next page button to continue.

The screenshot shows the 'Display Vendor: Payment transactions' screen in SAP. The menu bar and toolbar are identical to the previous screen. The main header displays 'Vendor' with ID '100000073', name 'S. Keemo's Snow Cones', and location 'LITTLE ROCK'. Below this, there are two sections: 'Payment transactions' with an 'Alternative payee' field, and 'Alternative payee in document' with two checkboxes: 'Individual spec.' and 'Spec. per reference'. A 'Permitted payee' button is located to the right of these checkboxes.

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 6 Vendor Master Data

The accounting information screen displays the reconciliation account (vendor accounts payable). The Authorization designation tells what type of vendor it is (AP vendor, state agency, employee, etc.) This screen also displays the withholding tax code.



**Display Vendor: Accounting information Accounting**

Vendor: 100000073 S. Keemo's Snow Cones LITTLE ROCK  
 Company Code: ARK State of Arkansas

**Accounting information**

Rec. Account	2110001000	Sort key	002	Doc.no., fiscal year
Head office				
Authorization	VEND	Cash mgmnt group	AP VEND	AP Vend
		Release group		
Minority indic.	A	Certificatn date		

**Withholding tax**

W. Tax Code	00	Exemption number	
		Valid until	
Recipient type		Exmpt.authority	

**Reference data**

Prev.acct no.		Personnel number	0
---------------	--	------------------	---

Withholding tax codes:

WT	Description
00	Exempt from 1099
01	Rents
02	Royalties
03	Prizes, awards
04	Federal income tax withheld
05	Fishing boat proceeds
06	Medical and health care payments
07	Nonemployee compensation
08	Substitute payments (dividends/interest)
09	Payer made direct sales of \$5000 or more
10	Crop insurance proceeds
11	State income tax withheld
14	Gross Proceeds Paid to Attorneys

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 6 Vendor Master Data

The Payment transactions accounting page displays the payment terms set up for the vendor and the payment methods that the vendor can accept.

The screenshot shows the 'Display Vendor: Payment transactions Accounting' window. The menu bar includes Vendor, Edit, Goto, Extras, Environment, System, and Help. The title bar shows the window name. The main area is divided into several sections:

- Vendor Information:** Vendor ID 100000073, Name S. Keemo's Snow Cones, Location LITTLE ROCK, Company Code ARK, State of Arkansas.
- Payment data:** Payment terms NT15, Tolerance group (empty), Cr memo terms (empty), Chk double inv. (checked).
- Automatic payment transactions:** Payment methods CW, Payment block (empty), Free for payment (checked), Alternat. payee (empty), House bank (empty), Grouping key (empty), Pmt meth. supl. (empty), Individual pmnt (unchecked), Pmt adv. by EDI (unchecked), Alt. payee (doc.) (empty), Permitted payee button.
- Invoice verification:** Tolerance group (empty).

### Payment terms

The screenshot shows the 'Terms of Payment' window. It displays a list of payment terms with their explanations:

PTrm	Explanation
0001	Payable immediately Due net
0009	Payable in 3 partial amounts
	1 installment: 30.000 % with payment term 0001
	2 installment: 40.000 % with payment term 0001
	3 installment: 30.000 % with payment term 0001
N180	Net due in 180 days
N270	Net due in 270 days
N365	Net due in 365 days
N450	Net due in 450 days
N540	Net due in 540 days
N630	Net due in 630 days
N720	Net due in 720 days
N810	Net due in 810 days
N900	Net due in 900 days
N990	Net due in 990 days
NFIN	Net due in 1080 days - Final Payment
NT00	Payable upon receipt
NT03	Net Due in 3 Days
NT05	Net Due in 5 Days
NT07	Net Due in 7 Days
NT10	Net Due in 10 Days
NT15	Net due in 15 days
NT30	Net due in 30 days



## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 6 Vendor Master Data

Payment methods:

P.	Name
<input type="checkbox"/> A	ACH Payment for General Expens
<input type="checkbox"/> B	ACH Payment for Payroll Vendor
<input checked="" type="checkbox"/> C	Check
<input type="checkbox"/> D	ACH Payment for Payroll
<input type="checkbox"/> H	Housebanks Technical Clearing
<input type="checkbox"/> I	Warrant for Income Tax Refunds
<input type="checkbox"/> P	Warrant for Payroll
<input type="checkbox"/> Q	Warrant for Payroll Vendors
<input type="checkbox"/> R	ACH Payment for Income Tax Ref
<input type="checkbox"/> T	Wire Transfers Cash Housebank
<input checked="" type="checkbox"/> W	Warrant for General Expenses
<input type="checkbox"/> X	Technical Clearing for BSEG

The next page contains information specific to your Purchasing Organization.  
(For example, your purchasing organization may have different payment terms than the vendor lists for the State.)

**Vendor:** 100000073 S. Keemo's Snow Cones LITTLE ROCK  
**Purchasing Org.:** 0710 HEALTH & HUMAN SVCS

**Conditions**

Order currency	USD	United States Dollar
Terms of paymnt	NT15	
Incoterms	F08	DESTINATION
Minimum order value	0.00	
Schema group, vendor	<input type="checkbox"/>	Standard schema vendor
Pricing date cat.	<input type="checkbox"/>	No control
Order optim.rest.	<input type="checkbox"/>	

**Sales data**

Salesperson	
Telephone	
Acc. with vendor	

**Control data**

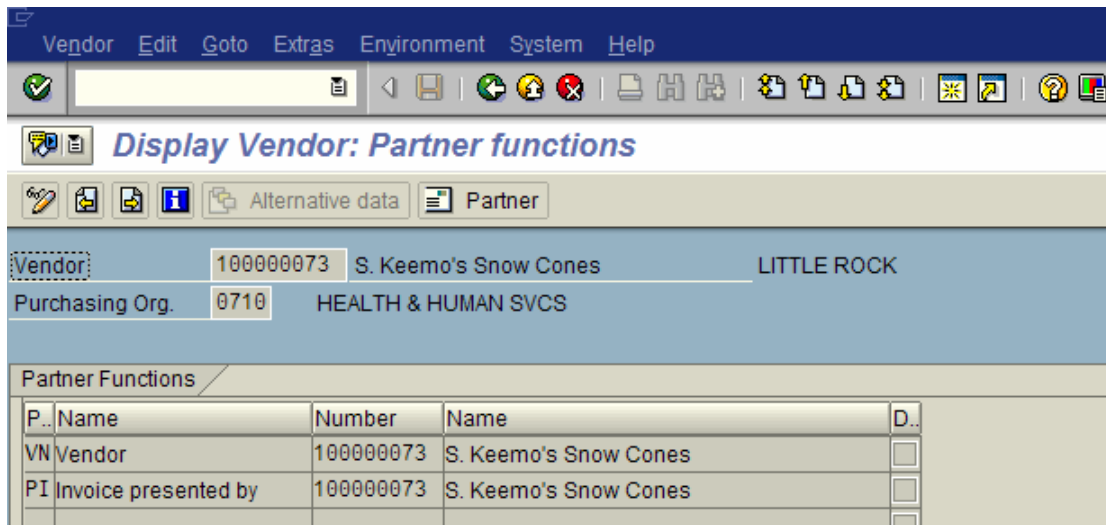
<input checked="" type="checkbox"/> GR-based inv. verif.	ABC indicator	<input type="checkbox"/>
<input type="checkbox"/> AutoEvalGRSetmt Del.	ModeOfTrnsprt-Border	<input type="checkbox"/>
<input type="checkbox"/> AutoEvalGRSetmt Ret	Office of entry	<input type="checkbox"/>
<input type="checkbox"/> Acknowledgment reqd	Sort criterion	<input type="checkbox"/> By VSR sequence number
<input type="checkbox"/> Automatic purchase order	PROACT control prof.	<input type="checkbox"/>
<input type="checkbox"/> Subsequent settlement	<input type="checkbox"/> Revaluation allowed	
<input type="checkbox"/> Subseq. sett. index	<input type="checkbox"/> Grant discount in kind	
<input type="checkbox"/> Bvol.comp./ag.nec.	<input type="checkbox"/> Relevant for price determ. (del.hierarchy)	
<input type="checkbox"/> Doc. index active	<input type="checkbox"/> Relevant for agency business	

At the bottom right, there is a status bar with the text: XK03 sapeqs OVR

## Accounts Payable Basics – Logistics Invoice Verification Process

### Chapter 6 Vendor Master Data

In some cases, purchase orders and invoices may go to different vendors. This information is contained on the Partner functions page.



The screenshot shows the SAP 'Display Vendor: Partner functions' screen. The title bar includes menus: Vendor, Edit, Goto, Extras, Environment, System, and Help. Below the title bar is a toolbar with various icons. The main area displays vendor information for Vendor 100000073, S. Keemo's Snow Cones, LITTLE ROCK. The Purchasing Org. is 0710, HEALTH & HUMAN SVCS. Below this is a section titled 'Partner Functions' which contains a table with columns: P.. Name, Number, Name, and D..

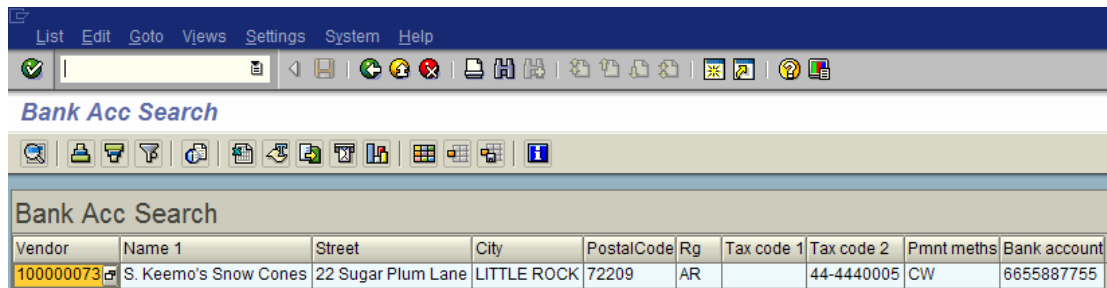
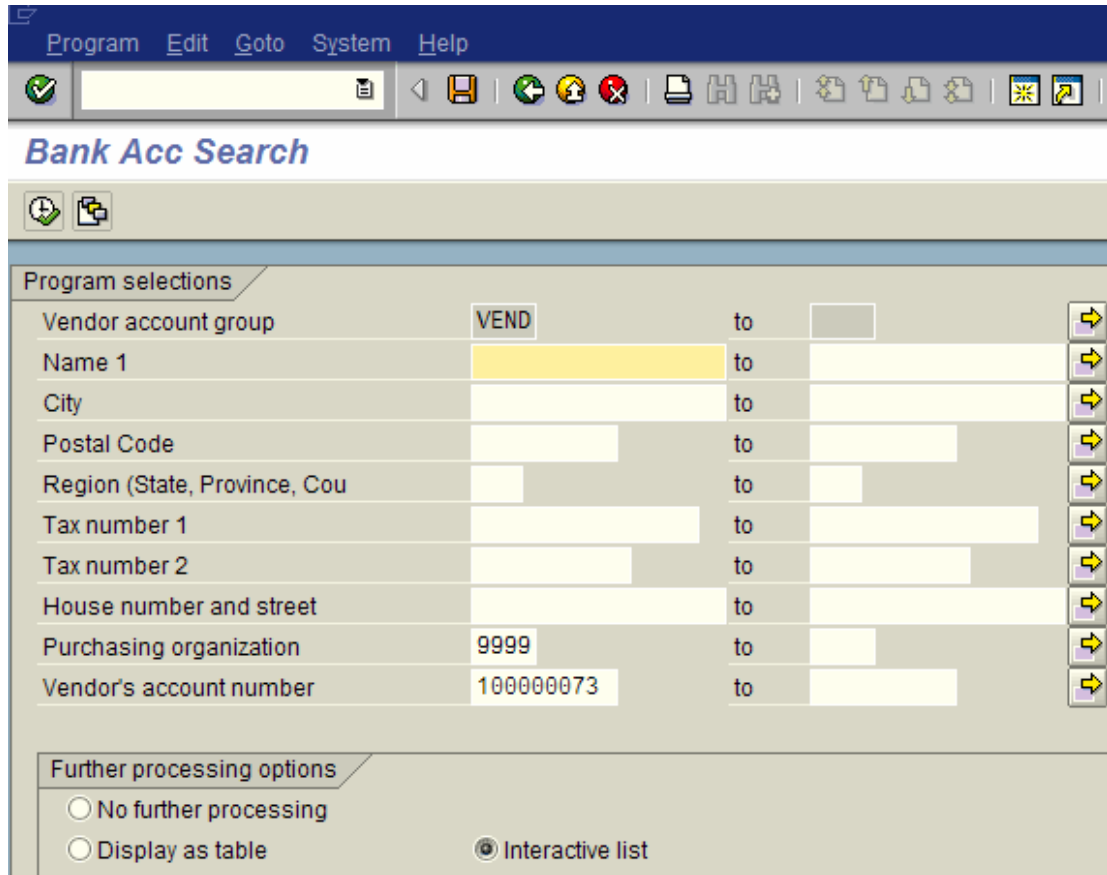
P.. Name	Number	Name	D..
VN Vendor	100000073	S. Keemo's Snow Cones	<input type="checkbox"/>
PI Invoice presented by	100000073	S. Keemo's Snow Cones	<input type="checkbox"/>
			<input type="checkbox"/>

### How Can I View Bank and Tax ID Information for Vendors?

For security reasons, bank account and tax ID information are not included on the XK03 display. For users with valid security roles, this information can be displayed on the ZVENDBANK and ZVENDTAXID reports.

The selection screens for these two reports are similar. The name field is case sensitive and has to be the exact spelling as the vendor master record. For this reason, we recommend getting the vendor number from the XK03 report first and then selecting the ZVENDBANK and ZVENDTAXID reports by the vendor's account number.

#### ZVENDBANK



Vendor	Name 1	Street	City	PostalCode	Rg	Tax code 1	Tax code 2	Pmnt meths	Bank account
100000073	S. Keemo's Snow Cones	22 Sugar Plum Lane	LITTLE ROCK	72209	AR		44-4440005	CW	6655887755

Accounts Payable Basics – Logistics Invoice Verification Process  
Chapter 6 Vendor Master Data

ZVENDTAXID

Program Edit Goto System Help

Taxid Search

Program selections

Vendor account group		to		
Account number of vendor or	100000073	to		
Name 1		to		
Name 2		to		
City		to		
Postal Code		to		
Tax number 1		to		
Tax number 2		to		
House number and street		to		

Further processing options

☐ No further processing

☐ Display as table

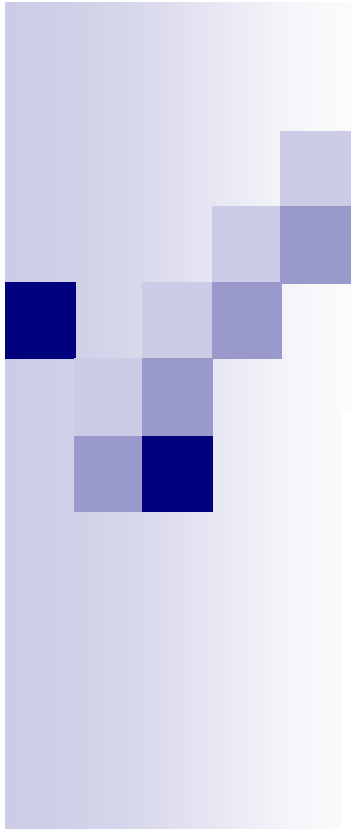
☒ Interactive list

☐ Word processing

List Edit Goto Views Settings System Help

Taxid Search

Vendor	Name 1	Name 2	Street	City	PostalCode	Rg	Tax code 1	Tax code 2	Pmnt meths
100000073	S. Keemo's Snow Cones		22 Sugar Plum Lane	LITTLE ROCK	72209	AR		44-4440005	CW



# **Accounts Payable Basics – Logistics Invoice Verification Process**

Chapter 7  
Entering the MIRO Invoice  
Verification with Sales Tax

**Accounts Payable Basics—Logistics Invoice Verification Process**  
Chapter 7 Entering the MIRO Invoice Verification with Sales Tax

**Entering a MIRO Invoice Verification with a “P1” Tax Code**

You have received the following invoice from a vendor:

**Man’s Best Friend**  
**7111 McCain Blvd.**  
**North Little Rock, AR 72215**



**INVOICE**

**Invoice Number: 576837**  
**Your Purchase Order: 4500001017**  
**Invoice Date: 6/23/2006**

<b>20 Boxes Animal Shampoo.....</b>	<b>\$60.00</b>
<b>10 Boxes Dog Chow.....</b>	<b>120.00</b>
<b>Shipping.....</b>	<b>10.00</b>
<b>Sales Tax.....</b>	<b>17.10</b>
<b>Total.....</b>	<b>\$207.10</b>

Follow the process described in Chapter 4 to compare the invoice with the purchase order and goods receipt.

The purchase order, goods receipt and invoice are in agreement as to quantity, amount, and tax code. You have the MIRO transaction on the screen and are ready to begin entering data.

The process for entering an invoice with sales tax allows you to have the system calculate tax and requires you select the P1 tax code.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 7 Entering the MIRO Invoice Verification with Sales Tax

Use the following steps to enter the invoice:

1. Enter the Invoice Date
2. Type the vendor's invoice number in the Reference field.
3. Enter the amount of the invoice including tax in the "Amount" field.
4. Check the "Calculate tax" box if you want the system to calculate the tax. You may also enter the tax amount in the "Tax amount" field.
5. Choose the "P1" tax code.
6. Enter text in the "Text" field if needed.
7. Enter the PO number.
8. Click the Details tab to continue.

Invoice document Edit Goto System Help

Enter Incoming Invoice: Company Code ARK

Show PO structure Show worksheet Hold Date Messages Help

Transaction Invoice Balance 0.00 USD

Basic data Payment Details Contacts Note

Invoice date 08/10/2006 Reference 576837

Posting Date 08/10/2006

Amount 207.10

Tax amount 17.10

Calculate tax ☒

Text Invoice # 576837 Dog Supplies

Pay 15 Days net

Baseline date 08/10/2006

Company Code ARK State of Arkansas Little Rock

Purchase Order/Scheduling Agreement 4500001017

Vendor 0100000222  
Mans Best Friend  
7111 McCain Blvd  
NORTH LITTLE ROCK AR 72115  
501-765-1376-515 501-511-6675

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	60.00	20 BOX	4500001017	10	Animal Shampoo	P1 (Account	
2	120.00	10 BOX	4500001017	20	Dog Chow	P1 (Account	

9. Since the shipping costs were not included on the purchase order, you must enter them as unplanned delivery costs on the details tab.

Basic data Payment Details Tax Contacts Note

Unpl. Del. Csts 10.00

Currency USD Exch. Rate 1.00000

Doc. Type Invoice receipt Inv. Party 100000222

Assignment Bus. Area 0710

Header Text G/L 2110001000

Plg level AP Planning Day 08/25/2006

The rest of the process is the same as the MIRO without sales tax. Follow steps 7-25 in chapter 4 to complete the invoice.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 7 Entering the MIRO Invoice Verification with Sales Tax

#### Exercise 1:

Enter and post the MIRO for your assigned P1 Invoice. Make changes as specified in the workbook.

#### What If The System Calculated Tax For Tax Code P1 Is Different From the Tax On the Invoice?

Reasons why the system tax may calculate differently from the tax on the invoice:

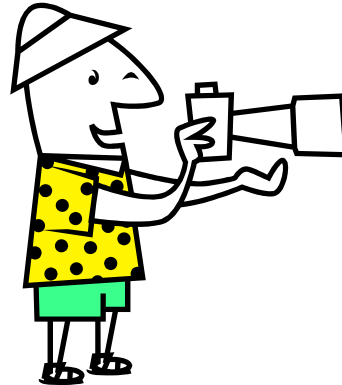
- Rounding
- Rate Change
- Max Tax – tax is calculated up to a maximum amount. Some tax jurisdictions calculate the max tax on an entire transaction where AASIS calculates taxes on individual line items.

For example, suppose you received this invoice for payment:

Cameron Shutter, Photographer  
2573 Closeup Rd.  
Little Rock, AR 72202

#### INVOICE

Invoice Number: 2500  
Your Purchase Order: 4500001033  
Invoice Date: 9/21/2006



5 Digital Cameras.....	\$3000.00
3 Movie Cameras.....	2700.00
Sales Tax.....	379.50
Total.....	\$6079.50



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 7 Entering the MIRO Invoice Verification with Sales Tax

The purchase order had the correct tax code (P1), but due to line item max tax differences, the system calculated this amount of tax:

Invoice document Edit Goto System Help

Enter Incoming Invoice: Company Code ARK

Show PO structure Show worksheet Hold Simulate Messages Help

Transaction Invoice Balance 37.50- USD

Basic data Payment Details Tax Contacts Note

Invoice date 08/25/2006 Reference 2500

Posting Date 08/25/2006

Amount 6,079.50 USD ☒ Calculate tax

Tax amount 417.00 P1 (Accounts Payable S...)

Text

Paymt terms Due immediately

Baseline date 08/25/2006

Company Code ARK State of Arkansas Little Rock

Vendor 0100000111

Cameron Shutter, Photographer

2573 Closeup Rd.

LITTLE ROCK AR 72202

USA

888-665-0123-119 888-665-1223

Bank acct 55668899

Cash Keepers Bank of Arkansas

To accommodate the difference, as well as assign the difference to the actual expense, follow these directions:

1. Enter the full amount (including the sales tax) of the invoice in the Amount field.
2. Do not select the Calculate Tax check box.
3. Enter the amount of sales tax to be paid in the Tax amount field.

**NOTE:** Tolerance level for invoice differences is 10% up to \$100.00; this allows adjustment for sales tax as necessary for a zero balance. If the difference exceeds the tolerance, a system block will be placed on the invoice. System blocks can be manually released.

Invoice document Edit Goto System Help

Enter Incoming Invoice: Company Code ARK

Show PO structure Show worksheet Hold Simulate Messages Help

Transaction Invoice Balance 0.00 USD

Basic data Payment Details Tax Contacts Note

Invoice date 08/25/2006 Reference 2500

Posting Date 08/25/2006

Amount 6,079.50 USD ☐ Calculate tax

Tax amount 379.50 P1 (Accounts Payable S...)

Text

Paymt terms Due immediately

Baseline date 08/25/2006

Company Code ARK State of Arkansas Little Rock

Vendor 0100000111

Cameron Shutter, Photographer

2573 Closeup Rd.

LITTLE ROCK AR 72202

888-665-0123-119 888-665-1223

Bank acct 55668899

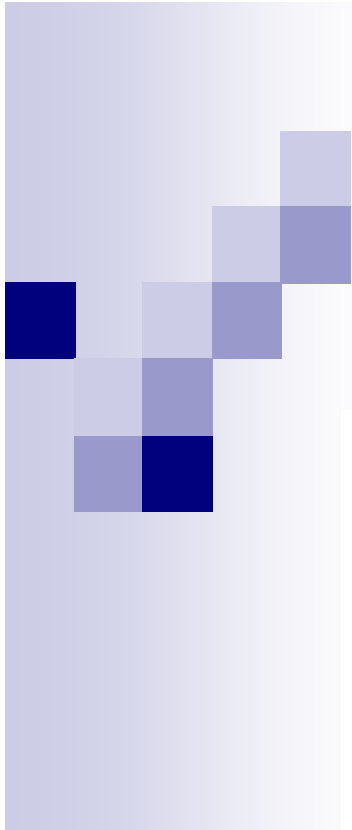
Cash Keepers Bank of Arkansas

Purchase Order Scheduling Agreement 4500001033

Layout All information

Item	Amount	Quantity	Unit	Purchase Order	Item	PO text	Tax code
1	3,000.00	5	EA	4500001033	10	CAMERA	P1 (Account
2	2,700.00	3	EA	4500001033	20	CAMERA	P1 (Account

**Exercise 2:** Enter and post the MIRO for your “tax different” assigned P1 invoice. Make changes as specified in your workbook.



# **Accounts Payable Basics – Logistics Invoice Verification Process**

Chapter 8  
Entering the MIRO Invoice  
Verification with Use Tax

**Accounts Payable Basics—Logistics Invoice Verification Process**  
**Chapter 8 Invoice Verification with Use Tax**

**ENTERING A MIRO INVOICE VERIFICATION WITH A “U1” TAX CODE**

Your agency received the following invoice:

**Sappy Publications**  
**55 Enterprise Avenue**  
**Chicago, IL 60611**



**INVOICE**

**Invoice Number: 253562**  
**Your Purchase Order: 4500001019**  
**Invoice Date: 8/10/06**

<b>The Guide to Invoice Payment by U. R. Broke.....</b>	<b>\$35.00</b>
<b>The Guide to Purchasing by Ben Bysit.....</b>	<b>35.00</b>
<b>The Guide to General Ledger by Ivan Eyeshade.....</b>	<b>35.00</b>
<b>Total.....</b>	<b>\$105.00</b>

You were able to match the invoice to the following purchase order:

Item	Material	Short text	PO quantity	Deliv. date	Net price	Curr.	Per	Matl group	Plant
10	K	10100082 Book	3	08/31/2006	35.00	USD	1	EA	PUBLICATI...

Text	MVT	Material Do...	Item	Posting Date	Quantity	Delivery cost quantity	OU	Amt.in loc.cur.	L.cur	Qty. in order pr.un.	DelCostQty (OPUn)
SR	101	5000000953	1	08/10/2006	3	0	EA	112.88	USD	3	0

Note the tax code. There is no tax on the invoice, which is correct. This out-of-state vendor does not collect state sales tax on items sold, so the tax code should be U1 (use tax). Using this code will set up a payable for the use tax to be remitted to DFA.

Item: [ 10 ] 10100082, Book

Quantities/weights | Delivery schedule | Delivery | Invoice | Conditions | Account assignment

☒ Inv. receipt  
☐ Final invoice  
☒ GR-based IV

Tax code: U1  
Jurisdict. Code: 0411909201

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 8 Invoice Verification with Use Tax

The Conditions tab on the purchase order will reveal the amount of use tax that is calculated by the system.

Item [ 10 ] 10100082, Book												
Quantities/weights Delivery schedule Delivery Invoice Conditions Account assignment Purchase order history Texts												
Qty	3 EA		Net	105.00		USD						
CnTy	Name	Amount	Crcy	per	U...	Condition value	Curr.	Num...	OUn	CCon...	Un	Condition value
POXX	Gross Price	35.00	USD	1	EA	105.00	USD	1	EA	1	EA	0.00
	Net Value	35.00	USD	1	EA	105.00	USD	1	EA	1	EA	0.00
NAVM	Non-Deductible Tax	7.88	USD			7.88	USD	0		0		0.00
	Tax	2.63	USD	1	EA	7.88	USD	1	EA	1	EA	0.00
	Net including tax &	37.63	USD	1	EA	112.88	USD	1	EA	1	EA	0.00

### How Do I Enter Use Tax on MIRO?

On the Basic Data tab, use the following steps:

1. Enter the Invoice Date
2. Type the vendor's invoice number in the Reference field.
3. Enter the amount of the invoice in the "Amount" field.
4. Check the "Calculate tax" box.
5. Choose the "U1" tax code.
6. Enter text in the "Text" field if needed.
7. Enter the PO number.

The screenshot shows the SAP MIRO 'Enter Incoming Invoice' screen for Company Code ARK. The 'Basic data' tab is active. Numbered callouts indicate the following steps:

- 1**: Invoice date field (08/10/2006)
- 2**: Reference field (253562)
- 3**: Amount field (105.00)
- 4**: Check the 'Calculate tax' checkbox
- 5**: Tax code field (U1 (A/P Use Tax))
- 6**: Text field (Invoice #253562 Books)
- 7**: Purchase Order/Scheduling Agreement field (4500001019)

Other visible data includes Vendor 0100000179 (Sappy Publications), Posting Date 08/10/2006, and Balance 0.00 USD.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 8 Invoice Verification with Use Tax

The rest of the process is the same as the MIRO without sales tax. Follow steps 7-25 in chapter 4 to complete the invoice. When you simulate the transaction, you will see the use tax payable posting.

[illegible]

The multiple postings to the Use Tax Payable Accrual account represent the tax accrued to different government entities—the state, the county, the city. All use tax remittances are made to Dept. of Finance and Administration on a separate invoice.

## Exercise 1

Enter and post the MIRO for your use tax assigned U1 invoice. Make changes as specified in your workbook.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 8 Invoice Verification with Use Tax


#### The U1 Invoice with Multiple Funds

You cannot use the U1 tax code on an invoice with multiple funds. AASIS will return a hard error if this is attempted and the invoice will not post.

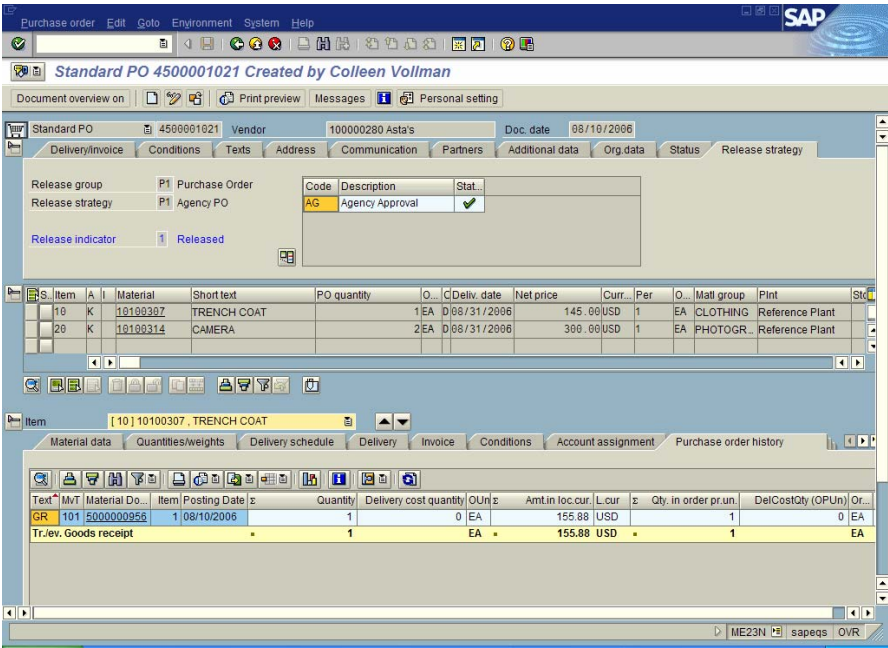
#### So How Do I Account for Multiple Funds on a U1 Invoice?

In the event that you have an invoice with multiple funds and a U1 tax code, you will need to enter a separate invoice for each fund.

You received the following invoice:

<b>Asta's</b> <b>78 N. Thinman Rd.</b> <b>El Paso, TX 79901</b>	
<b>INVOICE</b>	
<b>Invoice Number: 576839</b> <b>Your Purchase Order: 4500001021</b> <b>Invoice Date: 8/10/2006</b>	
	
<b>1 Trench Coat.....</b>	<b>\$145.00</b>
<b>2 Surveillance Cameras.....</b>	<b>600.00</b>
<b>Total.....</b>	<b>\$745.00</b>

You were able to match the invoice to this purchase order.



The screenshot displays the SAP Standard PO 4500001021 interface. The top section shows the document overview with tabs for Delivery/invoice, Conditions, Texts, Address, Communication, Partners, Additional data, Org. data, Status, and Release strategy. The middle section shows the release group and strategy, with a table for release indicators. The bottom section shows the item details for the Trench Coat and Surveillance Cameras, including quantities, delivery dates, net prices, and currency.

S. Item	A	Material	Short text	PO quantity	O. C Deliv. date	Net price	Curr.	Per	O. Matl group	Plant	St
10	K	18198397	TRENCH COAT	1	EA D 08/31/2006	145.00	USD	1	EA CLOTHING	Reference Plant	
20	K	18198314	CAMERA	2	EA D 08/31/2006	300.00	USD	1	EA PHOTOGR	Reference Plant	

Text	Mvt	Material Do...	Item	Posting Date	Quantity	Delivery cost quantity	OUr	Amt in loc. cur.	L. cur	Qty. in order pr. un.	DelCostQty (OPUn)	Or...
GR	101	5000000958		1 08/10/2006	1	0	EA	155.88	USD	1	0	EA
Tr. ev. Goods receipt					1		EA	155.88	USD	1		EA

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 8 Invoice Verification with Use Tax

You determined from the account assignment tabs that each item is charged to a different fund/funds center combination.

Item: [10] 10100307, TRENCH COAT

Material data | Quantities/weights | Delivery schedule | Delivery | Invoice | Conditions | Account assignment

AccAssCat: Cost center | Distribution: Single account assignm... | CoCode: State of Arka...

G/L Account No.: 5090020000  
Business Area: 0710  
CO Area: ARK  
Cost Center: 417001  
Fund: PWP2000  
Functional Area: HHS  
Funds Center: 896  
Earmarked Funds: 0

Commitment item: 502:00:02

Item: [20] 10100314, CAMERA

Material data | Quantities/weights | Delivery schedule | Delivery | Invoice | Conditions | Account assignment

AccAssCat: Cost center | Distribution: Single account assignm... | CoCode: State of Arka...

G/L Account No.: 5090011000  
Business Area: 0710  
CO Area: ARK  
Cost Center: 416001  
Fund: PWP1000  
Functional Area: HHS  
Funds Center: 896  
Earmarked Funds: 0

Commitment item: 502:00:02

Because the tax code on this invoice is U1, you will need to enter two separate MIRO transactions, one for fund HSC6101 and one for fund FFB0000.

Item: [10] 10100307, TRENCH COAT

Material data | Quantities/weights | Delivery schedule | Delivery | Invoice | Conditions

☒ Inv. receipt  
☐ Final invoice  
☒ GR-based IV

Tax code: U1  
Jurisdict. Code: 0411903201

U1 is displayed on the purchase order. This is the correct code. The purchase is for taxable items from an out-of-state vendor which does not collect state sales tax.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 8 Invoice Verification with Use Tax

1. Follow the steps to enter a MIRO transaction for the invoice.
2. In the amount field, enter the amount being paid from the first fund on the invoice.

Invoice document | Edit | Goto | System | Help

Enter Incoming Invoice: Company Code ARK

Show PO structure | Show worklist | Hold | Simulate | Messages | Help

Transaction: Invoice | Balance: 600.00 - USD

Basic data | Payment | Details | Tax | Contacts | Note

Invoice date: 08/10/2006 | Reference: 576839

Posting Date: 08/10/2006

Amount: 145.00 | USD | ☒ Calculate tax

Tax amount: 0.00 | U1 (A/P Use Tax)

Text: Invoice #576839 Trench Coat

Paymt terms: 15 Days net

Baseline date: 08/10/2006

Company Code: ARK State of Arkansas Little Rock

Purchase Order/Scheduling Agreeeme... | 4500001021

Goods/service items

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	145.00	1 EA	<input checked="" type="checkbox"/>	4500001021 10	TRENCH COAT	U1 (A/P Us	
2	600.00	2 EA	<input type="checkbox"/>	4500001021 20	CAMERA	U1 (A/P Us	

3. At the bottom of the screen, click the box in front of the line items to de-select the items that do not belong to the first fund. Your invoice will now have only the items that belong to the first fund highlighted.

Purchase Order/Scheduling Agreeeme... | 4500001021

Goods/service items

Layout | All information

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	145.00	1 EA	<input checked="" type="checkbox"/>	4500001021 10	TRENCH COAT	U1 (A/P Us	
2	600.00	2 EA	<input type="checkbox"/>	4500001021 20	CAMERA	U1 (A/P Us	

4. Follow the rest of the steps to complete the invoice and click the Simulate button.

Invoice document | Edit | Goto | System | Help

Enter Incoming Invoice: Company Code ARK

Show PO structure | Show worklist | Hold | Simulate | Messages | Help



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 8 Invoice Verification with Use Tax

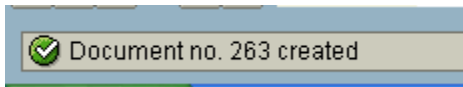
5. The Simulation shows the payment being made to the first fund (with use tax accrued to that fund). Verify that the cost centers on the simulation are cost centers assigned to the desired fund.

Simulate Document in USD (Document currency)

Position	A/G/L	Acc/mat/asset/vend	Amount	Cu...	Purchasin...	Item	T...	Jurisdic. Code	Tax date	Bu...	Cost C...
1	K2110001000	Asta's / EL PASO TX 7...	145.00	USD				U1		0710	
2	S2111001000	Goods Receipt/Invoic...	155.88	USD	4500001021	10		U10411903201		0710	41700
3	S2120003099	Use Tax Payable Accr...	8.70	USD				U10400000000			
4	S2120003099	Use Tax Payable Accr...	1.45	USD				U10411900000			
5	S2120003099	Use Tax Payable Accr...	0.73	USD				U10411903200			

5

6. If the cost centers are in agreement, post the invoice.



7. Repeat the MIRO process for other items on the invoice.

Invoice document Edit Goto System Help

Enter Incoming Invoice: Company Code ARK

Show PO structure Show worksheet Hold Simulate Messages Help

Transaction Invoice Balance 0.00 USD

Basic data Payment Details Tax Contacts Note

Invoice date 08/10/2006 Reference 576839

Posting Date 08/10/2006

Amount 600.00 USD Calculate tax

Tax amount 0.00 U1 (A/P Use Tax)

Text Invoice #576839 Trench Coat

Paymt terms 15 Days net

Baseline date 08/10/2006

Company Code ARK State of Arkansas Little Rock

Vendor 0100000280

Asta's

78 N. Thinman Rd.

EL PASO TX 79901

USA

877-897-5678-258 888-779-9989

Bank acct

Purchase Order/Scheduling Agreeeme... 4500001021

Goods/service items

Layout All information

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1			EA	4500001021	10	TRENCH COAT	U1 (A/P Us
2	600.00		2 EA	4500001021	20	CAMERA	U1 (A/P Us

Note that only the items that you have not paid for will appear when you enter the MIRO for the purchase order. If there were any items that did not belong to the fund, you would click to de-select them and proceed with the MIRO process.

### Use Tax Payments

At the end of each month, agencies process their monthly use tax remittances to DF&A using the direct invoice process (transaction FB60). The monthly remittances must be paid from the same funds, funds centers, and commitment items as the use tax was accrued.

### Exercise 2:

Complete the exercise for the U1 multiple fund invoice. Make changes as specified in your workbook.



# **Accounts Payable Basics – Logistics Invoice Verification Process**

Chapter 9  
Accounting for Logistics  
Transactions

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 9 Accounting for Logistics Transactions

#### What Happens When Goods Are Purchased?

The purchase requisition and purchase order do not cause AASIS to make accounting entries in the General Ledger or Special Purpose Ledger. The purchase requisition and purchase order do cause AASIS to record “commitments” in the controlling module and the FM (budget) module. This is because government rules require us to keep up with obligations or “encumbrances” to our funds, but modified and full accrual accounting rules do not recognize a transaction until the goods are actually received.

#### What Happens When Goods Are Received?

The MIGO transaction is used to record a receipt of goods ordered through the AASIS purchasing process. The goods receipts and invoice receipts are recorded through a special account called the GR/IR account. (GR=Goods Receipt; IR=Invoice Receipt) As soon as the end user hits the save button on the MIGO transaction, AASIS records the following accounting transaction:

The expense or asset account is debited

The GR/IR liability account is credited

The amount of the debits and credits are the *dollar value* of the *quantity of goods received*. The unit dollar value comes from the purchase order. The quantity received comes from the goods receipt.

Example: Agency orders 10 boxes of pencils at \$5.00 per box. All 10 boxes are received. Office Supplies Expense is debited for \$50.00 and GR/IR is credited for \$50.00.

Office Supplies Expense	GR/IR
50	50

Example 2: Same as above except only 5 boxes of pencils are received out of the 10 ordered. Office Supplies Expense is debited for \$25.00 and GR/IR is credited for \$25.00.

Office Supplies Expense	GR/IR
25	25

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 9 Accounting for Logistics Transactions

#### What Happens When the Invoice Is Entered?

The MIRO transaction is used to record the invoice for goods ordered through the AASIS purchasing process. As soon as the end user hits the save button on the MIRO transaction, AASIS makes the following accounting entries:

The GR/IR account is debited

The vendor account is credited

The vendor account credit “rolls up” to the Vendor Accounts Payable Account, which aggregates all of the vendor accounts.

The amount of the debit to the GR/IR account is the *dollar value* of the *quantity* of goods *invoiced*. The amount of the credit to the vendor is the amount to be paid to the vendor. Any differences between the amount to be paid to the vendor and the debit to the GR/IR are debited or credited to the expense or asset account of the item being invoiced.

Example: Agency enters invoice for the 10 boxes of pencils in the earlier example. GR/IR is debited for \$50.00 and the vendor account/Vendor Accounts Payable is credited for \$50.00.

GR/IR		Vendor AP	
50	50		50

Example 2: Same as above except the invoice included unplanned shipping costs of \$8.00. GR/IR is debited for \$50.00, the vendor account/Vendor Accounts Payable is credited for \$58.00, and Office Supplies Expense is debited for the additional \$8.00 to balance the transaction.

GR/IR		Office Supplies Expense		Vendor AP	
50	50	50			58
		8			

#### What about Sales Tax?

Sales tax is included in the amount debited to the expense or asset and credited to the vendor account/ Vendor Accounts Payable Account. It will be included in the amount processed through the GR/IR.

Example: Agency orders 10 boxes of pencils @ \$5.00 per box. Upon entering the purchase order, the sales tax of 7.5% was recognized. (User entered tax code P1 on purchase order.)

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 9 Accounting for Logistics Transactions

At goods receipt:

Office Supplies Expense is debited for \$53.75

GR/IR account is credited for \$53.75

Office Supplies Expense	GR/IR
53.75	53.75

At invoice receipt:

GR/IR account is debited for \$53.75

Vendor account/Vendor Accounts Payable is credited for \$53.75

GR/IR	Vendor AP
53.75	53.75

### What about Use Tax?

Like sales tax, use tax is processed through the GR/IR. However, since use tax is not remitted to the vendor, the credit goes to a Use Tax Payable account, which is cleared monthly by a payment to Department of Finance and Administration.

Example: Agency orders 10 boxes of pencils @ \$5.00 each from an out-of-state vendor which does not collect sales tax. The use tax was anticipated at the entry of the purchase order. (User entered tax code U1 on the purchase order.)

At goods receipt:

Office Supplies Expense is debited for \$53.75

GR/IR is credited for \$53.75

Office Supplies Expense	GR/IR
53.75	53.75

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 9 Accounting for Logistics Transactions

At invoice receipt:

GR/IR is debited for \$53.75

Use Tax Payable is credited for \$3.75

Vendor account/Vendor Accounts Payable is credited for \$50.00

GR/IR		Use Tax Payable		Vendor AP	
53.75	53.75		3.75		50

### What about Payment?

When payment is made, the vendor account/Vendor Accounts Payable is debited and the paying account (treasury cash or cash fund) is credited.

Example: Payment is made to vendor including sales tax:

Vendor account/Vendor Accounts Payable is debited for \$53.75

Cash is credited for \$53.75

Vendor AP		Cash	
53.75	53.75		53.75

Existing  
Balance

Example 2: Payment is made to vendor with use tax:

Vendor account/Vendor Accounts Payable is debited for \$50.00

Cash is credited for \$50.00

Vendor AP		Cash	
50	50		50

Existing  
Balance

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 9 Accounting for Logistics Transactions

At month end, payment is made to DFA for use tax:

Use tax payable is debited for \$3.75

Cash is credited for \$3.75

Use Tax Payable		Cash		Existing Balance
3.75	3.75	50	3.75	

### What Are the Account Balances?

In a scenario where the entire amount of goods received were invoiced and paid for, the account balances should reflect the following:

GR/IR balances should zero out.

Vendor account/Vendor Accounts Payable should zero out.

Expense or Asset account should have a balance of the value of the amount of goods received, plus any shipping or related sales or use tax.

Cash		GR/IR	
xxx.xx	53.75	53.75	53.75
Office Supplies Expense		Vendor AP	
53.75		53.75	53.75

### What about Multiple Funds?

In the event that goods are invoiced from more than one fund, AASIS will sort out the funds in the Special Purpose Ledger using the cost centers entered on the purchase order and invoice receipt. When more than one fund is used, the purchase orders and invoice receipts will have at least one line for each fund containing the cost center that tells AASIS which fund to use.

Example: Agency orders 10 boxes of pencils @ \$5.00 each. Agency plans to pay for 2 boxes of pencils from cost center 123456 representing fund A and 8 boxes of pencils from cost center 456789 representing fund B. Sales tax of 7.5% was anticipated at the time of purchase order. (User entered tax code P1 on purchase order.)

The purchase order must contain at least two lines, one for cost center 123456 and one for cost center 456789.

The goods receipt will contain at least two lines, one for each line entered on the purchase order.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 9 Accounting for Logistics Transactions

At goods receipt:

Office Supplies Expense in Fund A is debited for 10.75

GR/IR in Fund A is credited for 10.75

Office Supplies Expense in Fund B is debited for 43.00

GR/IR in Fund B is credited for 43.00

FUND A:

Office Supplies Expense		GR/IR	
10.75			10.75

FUND B:

Office Supplies Expense		GR/IR	
43			43

At invoice receipt:

GR/IR in Fund A is debited for 10.75

Vendor account/Vendor AP in Fund A is credited for 10.75

GR/IR in Fund B is debited for 43.00

Vendor account/Vendor AP in Fund B is credited for 43.00

FUND A:

GR/IR		Vendor AP	
10.7	10.7		10.75

FUND B:

GR/IR		Vendor AP	
43	43		43



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 9 Accounting for Logistics Transactions

At payment:

Vendor account/Vendor AP in Fund A is debited for 10.75

Cash in Fund A is credited for 10.75

FUND A:

Vendor AP		Cash	
10.75	10.75		10.75

Vendor account/Vendor AP in Fund B is debited for 43.00

Cash in Fund B is credited for 43.00

FUND B:

Vendor AP		Cash	
43	43		43

Account Balances:

GR/IR in both Fund A and Fund B zero out

Vendor/Vendor AP in both Fund A and Fund B zero out

Office Supplies Expense reflects and expense of \$10.75 in Fund A and \$43.00 in Fund B.

FUND A:

Cash		GR/IR	
xxx.xx	10.75	10.75	10.75
Office Supplies Expense		Vendor AP	
10.75		10.75	10.75

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 9 Accounting for Logistics Transactions

FUND B:

Cash	
xxx.xx	43

GR/IR	
43	43

Office Supplies Expense	
43	

Vendor AP	
43	43



# **Accounts Payable Basics – Logistics Invoice Verification Process**

Chapter 10  
The Goods Receipt/  
Invoice Receipt Account

## **Accounts Payable Basics—Logistics Invoice Verification Process**

### **Chapter 10 The Goods Receipt/Invoice Receipt Account**

As discussed in the previous chapter, the GR/IR account is credited when goods are received, setting up a liability, and debited when goods are invoiced, clearing the liability.

This seems easy enough in theory, but in practice things can begin to get complicated.

For example, when a goods receipt is entered, it should be followed by a MIRO invoice, not an FB 60 invoice. An FB60 does not connect to the goods receipt and leaves the credit balance in the GR/IR account.

When an invoice receipt is entered for a different quantity than the goods receipt, the GR/IR will be out of balance.

If the wrong purchase order is referenced in the invoice receipt, the wrong goods receipt will be cleared and the right goods receipt will be left in the account.

Credit memos need to be followed up with goods returns to clear the GR/IR and correctly account for assets and expenses.

Goods receipts and invoice receipts are constantly being entered, so it's not always easy to tell what goods receipts are outstanding just by looking at the GR/IR account balance.

#### **Exercise:**

You plan to return some of the items purchased in Exercise 10. The vendor has billed you for the items you plan to keep. Enter the invoice for the items you plan to keep.

#### **How Can I Look Up Out-of-Balance GR/IR Entries for my Agency?**

You can view the goods receipts for which the invoice receipt either does not match or has not been entered in the List of GR/IR Balances (Transaction MB5S).

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 10 The Goods Receipt/Invoice Receipt Account

#### Selecting the Report

1. Enter the purchase organization number.
2. The output can be restricted to one document or a range of documents. The output can also be restricted to documents created in a specific fiscal year by entering the first PO created in that fiscal year. Double click in the “Purchasing Document” field and select the symbol “Greater than or equal to”.
3. The checkmark will default into the Final delivery items also. Do not remove.
4. Click the “execute” icon to continue.

NOTE: You can run the report ME2N to locate the first PO number created in the fiscal year for your business area. Run it by PO document date.

Program Edit Goto System Help

**List of GR/IR Balances**

Database selections

Vendor		to		
Purch. Organization	0710	to		
Purchasing group		to		
Material		to		
Purchasing Document	4500000982	to	4500000997	
Item		to		

☒ Final delivery items also

Display options

Layout

☐ Cleared items too

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 10 The Goods Receipt/Invoice Receipt Account

#### Viewing the Report

The list shows purchase orders where Goods Receipt (GR) quantities and Invoice Receipt (IR) quantities do not balance.

You can view the Purchasing Organization, Purchasing Group, Vendor, Purchasing Document Number, Item Number, Received Quantity, Quantity Invoiced (the IR quantity and amount will be zero if no invoice receipt was posted for items received), Unit of Measure, GR Value, Invoice Amount, and Currency.

This information can be used to determine if errors have occurred in posting goods receipts and/or invoice receipts or to determine open purchase orders where goods receipts have been posted and agencies are still awaiting the vendor invoice.

You may double click on any PO line to drill into the PO display transaction to view purchase order history associated with that line.

List of GR/IR Balances									
P0rg	P6r	Vendor	Purch.Doc.	Item	Fr. vendor	Received quantity	Quantity invoiced	OU	GR value
0710	C00	1000000081							
4500000890	10					2	0	EA	76.30
4500000906	10					2	0	EA	76.30
0710	C00	1000000082							
4500000910	10					200	0	EA	107.50
0710	C00	1000000083							
4500000857	10					20	0	EA	150.50
4500000880	10					5	10	EA	42.46
0710	C00	1000000084							
4500000834	10					2	0	EA	50.00
0710	C00	1000000085							
4500000946	10					20	0	EA	64.50
0710	C00	1000000086							
4500000951	10					1	0	EA	198.88
4500000974	10					1	0	EA	86.00
0710	C00	1000000090							
4500000852	10					156.00	0.00	ZLS	169.26
4500000965	10					55.00	0.00	ZLS	59.68

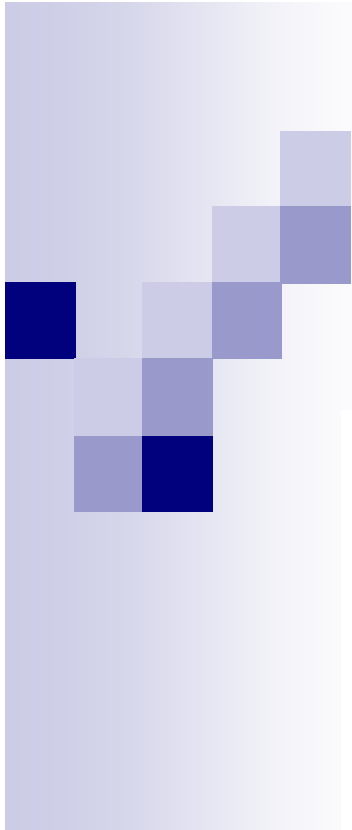
The drill-down display for this out-of balance item follows.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 10 The Goods Receipt/Invoice Receipt Account

A goods receipt was entered for 5, followed by an invoice receipt for 10.  
(AASIS blocked the document, but the end user released it.)

List Edit Goto Views Environment System Help						
<b>Order History for Purchase Order 4500000880 Item 00010</b>						
Order price unit Blocked stock GR/IR assignment						
Cat.	Doc. no.	Itm	MvT	Pstg.dt.	Qty.in OUn	Value in local curr
GR	50000000831	0001	101	07/31/06	5 EA	37.63 USD
Total variances through IR						4.83 USD
Total goods receipts					5 EA	42.46 USD
IR-L	293	0001		08/04/06	10 EA	84.93 USD
Total invoices					10 EA	84.93 USD



# **Accounts Payable Basics – Logistics Invoice Verification Process**

Chapter 11  
Viewing the Documents



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 11 Viewing the Documents

In this chapter, we will view the postings from the MIRO transactions that we entered and how they affect the various modules of AASIS, discussed in Chapter 3.

#### How Do I View the MM Document?

You can display your document and drill down to view the postings in transaction MIR4.

In this example, you wish to view the invoice verification and follow-on documents resulting from the following invoice:

**Cushy Tushy Office Furniture**  
**900 W. Ergonomic Ave.**  
**Ashville, NC 28801**

#### INVOICE

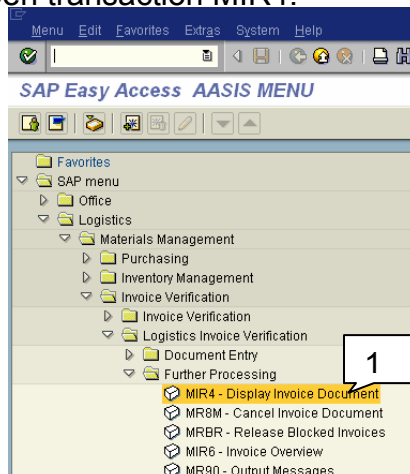
**Invoice Number: 576839**  
**Your Purchase Order: 4500000833**  
**Invoice Date: 6/28/2006**



<b>2 Executive Style Desks.....</b>	<b>\$200.00</b>
<b>2 Executive Style Chairs.....</b>	<b>100.00</b>
<b>Shipping.....</b>	<b>15.00</b>
<b>Sales Tax.....</b>	<b>23.63</b>
<b>Total.....</b>	<b>\$338.63</b>

Use the following steps to view the documents;

1. Open transaction MIR4.



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 11 Viewing the Documents

2. Enter the MM document number. This is the number you saw at the bottom of your screen when you created the MIRO.
3. Click the Display doc. button.

System Help

Display Invoice Document

Display doc.

Invoice doc. number 259

Fiscal Year 2007

4. AASIS displays the invoice Basic Data tab. View the amount, the tax code, the invoice and posting dates and reference field. Click the Payment tab to view more information.

Invoice document Edit Goto System Help

Display Invoice Document 259 2007

Show PO structure Follow-on documents

Transaction Invoice 259 2007

Basic data Payment Details Tax Contacts Note

Invoice date 08/04/2006 Reference 576839

Posting Date 08/04/2006

Amount 338.63 USD Calculate tax

Tax amount 23.63 P1 (Accounts Payable S...)

Text

Paymt terms Due immediately

Baseline date 08/04/2006

Company Code ARK State of Arkansas Little Rock

Vendor 0100000120

Cushy Tushy Office Furniture

900 W. Ergonomic Avenue

ASHEVILLE NC 28801

USA

888-665-0132-128 888-665-1232

Bank acct 12354657

Ragstoriches Bank of Arkansas

Layout All information

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	200.00	2 EA	4500000981	10	Desk Executive Style	P1 (Account	
2	100.00	2 EA	4500000981	20	Chair Executive	P1 (Account	

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 11 Viewing the Documents

View the payment terms. Payment will be made immediately (see Due on date and document date).

The payment block field indicates free for payment, meaning that there are no payment blocks.

**Display Invoice Document** 5

Show PO structure Follow-on documents

Transaction Invoice 259 2007

Basic data Payment Details Tax Contacts Note

BaselineDt 08/04/2006 Prmt terms 0 Days 0.000  
 Due on 08/04/2006 0 Days 0.000  
 Discount 0.00 USD 0 Days net  
 Prmt Method W Prmt Meth. Sup. Prmt block Fixed  
 Inv.ref. Free for payment  
 Part. bank House bank TREAS  
 Payment Ref.

Vendor 0100000120  
 Cushy Tushy Office Furniture  
 900 W. Ergonomic Avenue  
 ASHEVILLE NC 28801  
 USA  
 888-665-0132-128 888-665-1232  
 Bank acct 12354657  
 Ragstoriches Bank of Arkansas

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	200.00	2 EA		4500000981	10	Desk Executive Style	P1 (Account
2	100.00	2 EA		4500000981	20	Chair Executive	P1 (Account

#### How Do I View the Accounting Document?

5. To see the other postings that were created in AASIS when you entered the MIRO, click the Follow-on documents button.
6. A list of documents displays. Double-click the accounting document to display it. (Note: This takes you to the FB03 transaction. You could also enter FB03 in the command field to get there.)

**List of Documents in Accounting**

Documents in Accounting 6

Object type text	Doc. Number
Accounting document	0051000168
Spec. purpose ledger	1000088806
Controlling Document	0100087705
Funds Management doc	1000085181

Original document

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 11 Viewing the Documents

The accounting document shows the posting to the general ledger. You can see the debit to the GR/IR account, the credit to the vendor accounts payable account and use tax accruals (if any) for each line item. Note that the accounting document number is different from the number that you used to display the document in MM.

- To view line items, click the first line of the document (vendor line).

**Document Overview - Display**

Doc. type : RE ( Invoice receipt ) Normal document

Doc. Number	51000170	Company code	ARK	Fiscal year	2007
Doc. date	08/04/2006	Posting date	08/04/2006	Period	02
Calculate Tax	<input checked="" type="checkbox"/>				
Ref. doc.	576839				
Doc. currency	USD				

Itm	PK	Account	Account short text	BusA	Fur	Amount	Cost Ctr	Order	Funds	Text	Assignment
1	31	100000120	Cushy Tushy Office Furniture	0710	PWP2000	338.63					00510001702007
2	86	2111001000	GRIR Clearing	0710	PWP2000	215.00	417000		896		450000098100010
3	81	5090030000	Other Comm Mat Supp	0710	PWP2000	10.75	417000		896		0000417000
4	86	2111001000	GRIR Clearing	0710	PWP2000	107.50	417000		896		450000098100020
5	81	5090030000	Other Comm Mat Supp	0710	PWP2000	5.38	417000		896		0000417000

- View the information on the vendor line. When you are finished, click the down arrow to view the next line.

**Display Document: Line Item 001**

Vendor: 100000120 Cushy Tushy Office Furniture G/L Ac...  
 Company Code ARK 900 W. Ergonomic Avenue  
 State of Arkansas ASHEVILLE Doc...

Line Item 1 / Invoice / 31

Amount 338.63 USD  
 Tax code P1  
 W.tax base 0.00 USD W.tax exempt 338.63 W.Tax Code 00

Additional details

Bus. Area 0710  
 Disc. base 338.63 USD Disc. amount 0.00 USD  
 Payterms 0001 Days/percent 0 0.000 % 0 0.000 % 0  
 Date date 08/04/2006 Fixed  
 Pmnt block Invoice ref. / / 0  
 Payment Method Pmt meth.spl.  
 Payment Ref.  
 Assignment 00510001702007  
 Text Long Text

**Callouts:**

- 8 (points to the down arrow button)
- Payment terms (points to Payterms)
- Baseline Date (points to Date date)
- Payment block (points to Pmnt block)
- Payment amount (points to Amount)
- Withholding Tax code (points to W.Tax Code)

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 11 Viewing the Documents

9. View the GR/IR Clearing Account Posting. When you are finished, click the down arrow to view the next line.

The screenshot shows the SAP 'Display Document: Line Item 002' window. A callout box with the number '9' points to the 'More data' button. Another callout box labeled 'Account Number' points to the 'G/L Account' field, which contains '2111001000'. A callout box labeled 'Amount' points to the 'Amount' field, which contains '215.00'. A callout box labeled 'Purchase Order Number' points to the 'Purchasing Doc.' field, which contains '4500000981'. A callout box labeled 'Assignment Number' points to the 'Assignment' field, which contains '450000098100048'. The window also displays 'Company Code' as 'ARK', 'State of Arkansas', 'Doc. no.' as '51000170', 'Line Item 2 / GR/IR debit / 86', 'Tax code' as 'P1', 'Jurisdic. Code' as '0411903201', 'Business Area' as '0710', and 'Fund' as 'PWP2000'.

This line is the expense posting for the delivery cost, which was added at the point of invoice. If no extra cost was added, this line wouldn't be there.

10. Click the header button to view the header information.

The screenshot shows the SAP 'Display Document: Line Item 003' window. A callout box with the number '10' points to the 'Header' button. The window displays 'G/L Account' as '5090030000', 'Other Commodities Materials & Supplies', 'Company Code' as 'ARK', 'State of Arkansas', 'Doc. no.' as '51000170', 'Line Item 3 / Costs / 81', 'Amount' as '10.75', 'Tax code' as 'P1', 'Jurisdic. Code' as '0411903201', 'Business Area' as '0710', 'Fund' as 'PWP2000', 'Order' as '0000417000', 'Purchasing Doc.' as '4500000981', and 'Assignment' as '0000417000'. There is also a 'More' button and a 'Long text' field.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 11 Viewing the Documents

11. The header displays information on who posted the document and when it was posted. Close the header when finished viewing.

Document Header: ARK Company Code

Document type	RE	Invoice receipt
Doc. Header Text		
Card type		Card no.
Sequence number		
Reference	576839	Document Date
		08/04/2006
		Posting Date
		08/04/2006
Currency	USD	Posting Period
		02 / 2007
Ref. trans.	RMRP	Invoice receipt
Reference key	00000002592007	Log. System
		D6B510PCC
Entered by	CSVOLLMAN	Parked by
Entry date	08/04/2006	Time of Entry
		14:12:23
TCode	MIRO	
Changed on		Last update

11

12. Click the back button to return to the document selection.

Document Edit Goto Extras Environment System

Display Document: Line Item 003

More data

G/L Account: 5090030000 Other Commodities Materials & Supplies

Company Code ARK State of Arkansas

Doc. no. 51000170

Line Item 3 / Costs / 81

Amount 10.75 USD

Tax code P1

Jurisdic. Code 0411903201

Additional Account Assignments

Cost Center 417000 Business Area 0710

Fund PWP2000 Order

WBS Element

Purchasing Doc. 4500000981 10

Assignment 0000417000

Text

Long text

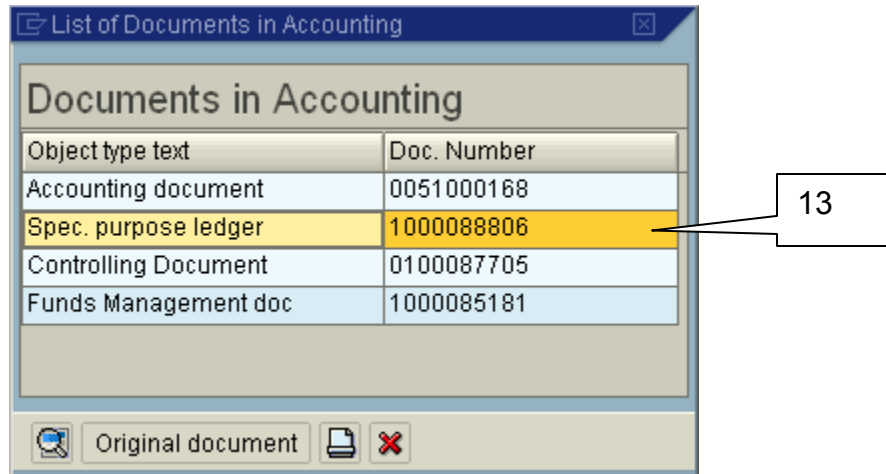
12

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 11 Viewing the Documents

#### How Do I View the SPL Document?

13. Double-click the SPL document to view the special purpose ledger posting.

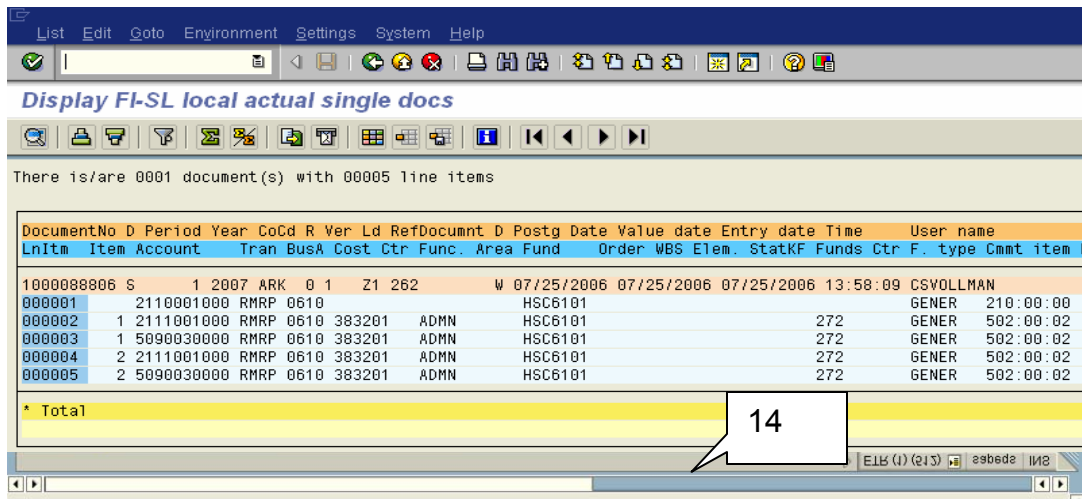


The SPL document contains a header (highlighted in orange) and multiple line postings (highlighted in blue). The first column contains the document number and line item.

The second column contains the period and account number. Note that the account numbers in the SPL are the same as the GL accounts discussed earlier—The GR/IR account, the Expense accounts, the Tax accrual accounts (if any), etc.

The next columns contain the business transaction codes, business area, cost centers, functional area, fund, funds center, fund type, commitment item, and partner account.

14. Scroll over to view more information.

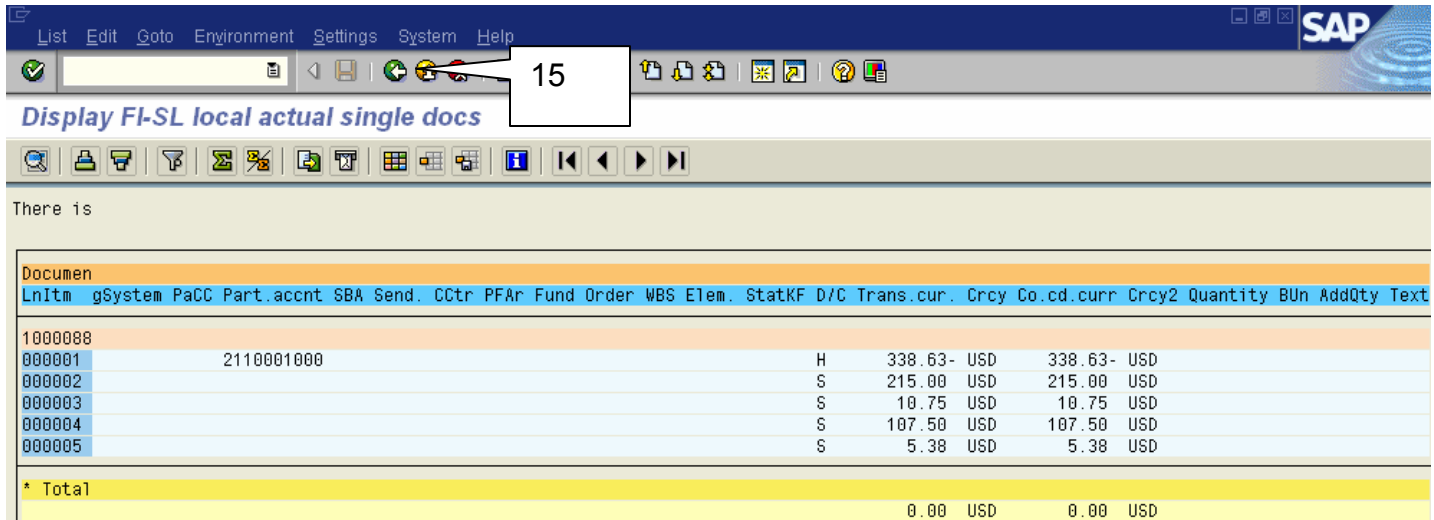


## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 11 Viewing the Documents

Other information contained in this document includes debit or credit information, amount, and currency.

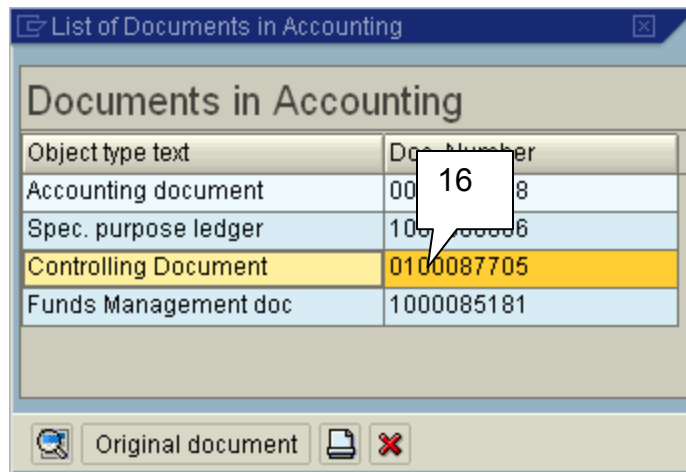
15. Click the back button to continue.



## How Do I View the Controlling Document?

16. Double-click the Controlling Document to continue:

Note: There will only be a follow-on controlling document available if you make a change in the MIRO from the MIGO, such as changing sales tax or shipping costs.

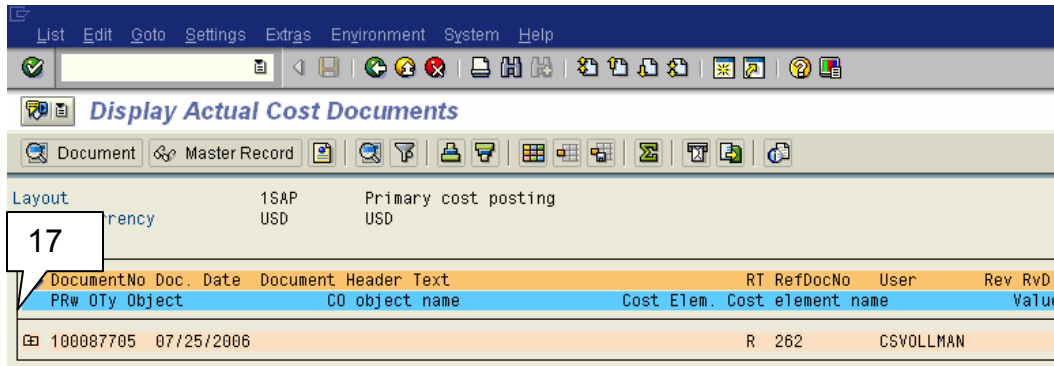




# Accounts Payable Basics—Logistics Invoice Verification Process

## Chapter 11 Viewing the Documents

17. Click to expand the controlling document.



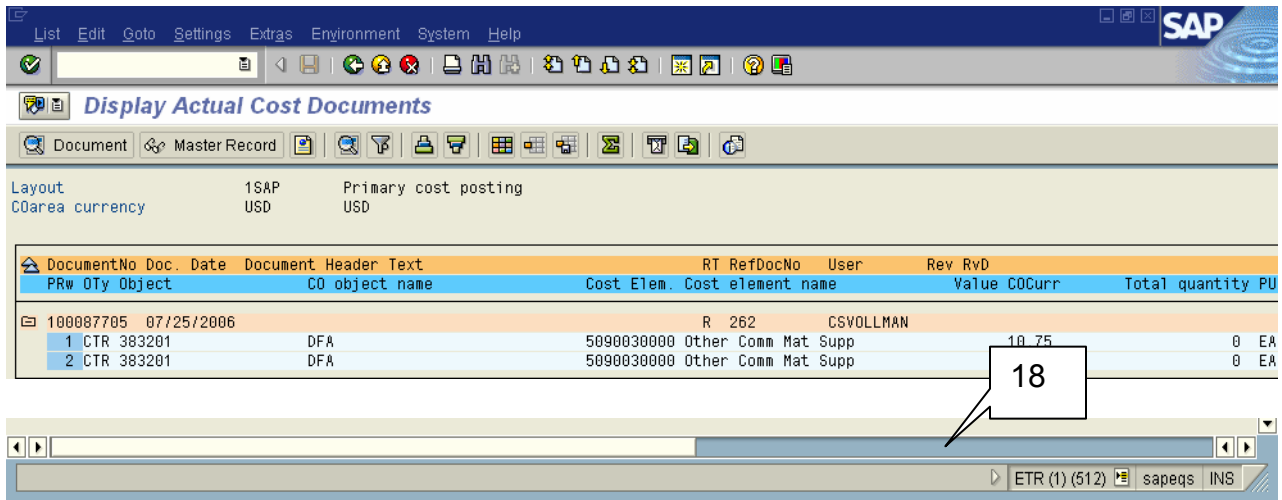
DocumentNo	Doc. Date	Document Header Text	RT	RefDocNo	User	Rev	RvD
PRW	DTy	Object	CO	object name	Cost Elem.	Cost element name	Value
100087705	07/25/2006		R	262	CSVOLLMAN		

The controlling document displays cost center number and name, cost element number and name, internal order and WBS element (if any). It also displays the value and quantity.

Note: The cost element is the same as the GL code.

Note: You may wonder why the controlling document only picked up the tax, and not the value of the goods paid for. This is because the controlling document for the value of the goods was a follow on document to the *goods receipt*, rather than the *invoice receipt*, which is what we are viewing.

18. Scroll over to view more information.



DocumentNo	Doc. Date	Document Header Text	RT	RefDocNo	User	Rev	RvD	Value	COCurr	Total quantity	PU
100087705	07/25/2006		R	262	CSVOLLMAN						
1	CTR 383201	DFA	5090030000	Other Comm Mat Supp				10.75		0	EA
2	CTR 383201	DFA	5090030000	Other Comm Mat Supp						0	EA

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 11 Viewing the Documents

The Posted Unit of Measure, the cost object type (K for cost center) and the offsetting account (in this case, the account number of the vendor who is collecting this sales tax).

19. Click the back button to continue.

st Edit Goto Settings Extras Environment S

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Display Actual Cost Documents

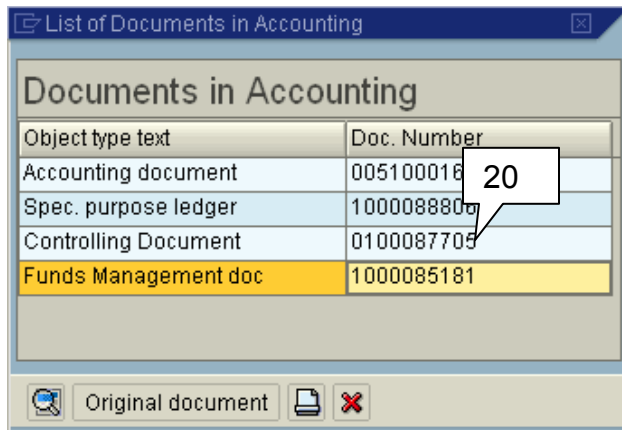
Document Master Record

ut 1SAP Primary cost posting  
ea currency USD USD

DocType	Document Header Text	RT	RefDocNo	User	Rev	RvD	Value	COCurr	Total quantity	PUM	Offst. acct
PRW	CO object name	Cost Elem.	Cost element name								
10000006		R	262	CSVOLLMAN							
1	DFA	5090030000	Other Comm Mat Supp				10.75		0	EA	K 100000120
2	DFA	5090030000	Other Comm Mat Supp				5.38		0	EA	K 100000120

### How Do I View the FM Document?

20. Double-click the Funds Management Document to continue.



20

Object type text	Doc. Number
Accounting document	005100018
Spec. purpose ledger	100008880
Controlling Document	0100087705
Funds Management doc	1000085181

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 11 Viewing the Documents

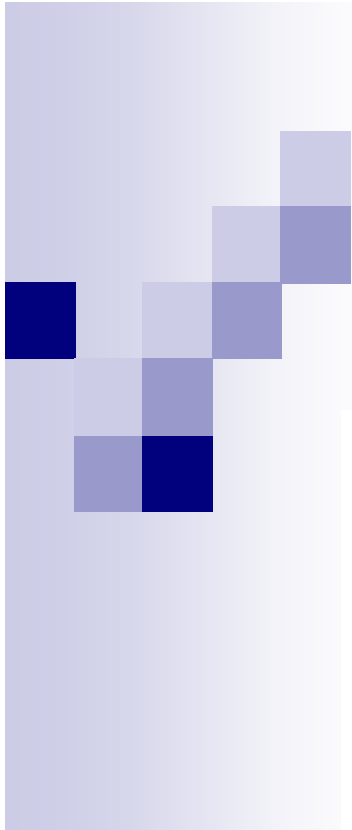
The posting to funds management recorded an invoice commitment to the fund, funds center and commitment item for both the amount of the goods being paid and the sales tax.

Information contained in this document also includes the currency, ledger, year, FM posting date, Item number, and amount type.

Display FM Document: Overview

07/25/2006 14:07:38

FM Doc.No.	Itm	Fund	Funds Ctr	Commt item	Stat.Lnd.	FMAC	FMAC Amnt	Ledger	Year	Per	FM pstg d.	FI doc.no.	Itm	Value type	Amt type
1000085181	1	HSC6101	272	502:00:02		USD	215.00	Payment Budget	2007	1	07/25/2006	51000168	2	Invoices	Original
	2	HSC6101	272	502:00:02		USD	10.75			1		51000168	3	Invoices	Original
	3	HSC6101	272	502:00:02		USD	107.50			1		51000168	4	Invoices	Original
	4	HSC6101	272	502:00:02		USD	5.38			1		51000168	5	Invoices	Original



# **Accounts Payable Basics – Logistics Invoice Verification Process**

Chapter 12  
Logistics and the Budget

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 12 Logistics and the Budget

#### How Is Budget Taken in the Logistics Process?

A budget commitment is recorded at the point of purchase requisition (or purchase order if no requisition is entered). The amount of commitment is the quantity ordered multiplied by the expected price. If shipping and taxes are anticipated when entering the purchasing document, these items will also be committed.

#### What Is a Budget Commitment?

A commitment is an encumbrance to your budget and is recorded by fund, funds center, commitment item, and functional area. Basically, that means that the budget is held up and you can't spend it for anything else until the commitment is released.

Example:

Before entering the Purchase Order, the Available Budget Report shows commitments of 0:

FM acct asst				Adj. Appr.	Commitm
Displayed in				1 USD	1 USD
◊	ARK /HGA0100 /0900	/EXPENDITURES		0.00	0.00
◊	ARK /HGA0100 /499	/EXPENDITURES		0.00	0.00
◊	ARK /HGA0100 /499A	/EXPENDITURES		0.00	0.00
◊	ARK /HGA0100 /499A	/MAINT-OPERATIONS		0.00	0.00
◊	ARK /HGA0100 /499A	/502:00:02		55,555.00	0.00
▶	Total			55,555.00	0.00

Your agency enters a purchase order for 5 cases of pencils at \$6.00 each, with a tax code of P1 and expected tax rate of 7.5%.

The screenshot displays the SAP Standard Purchase Order (PO) 4500000831, created by Colleen Vollman. The document is dated 06/29/2006 and is for Vendor 100000270 (Firm Direct). The header section shows the PO details. The item list contains one item: Item 10, Material 10100243, described as 'PENCIL, mechnical, 0...'. The PO quantity is 5 CS, and the net price is 6.00 USD. The tax code is P1, and the jurisdiction code is 0411903201. The item details section shows the material data, quantities/weights, delivery schedule, delivery, invoice, conditions, and account assignment. The tax code P1 is circled in the screenshot.

S. Item	A I	Material	Short text	PO quantity	O...	CDeliv. date	Net price	Curr...	Per
10	K	10100243	PENCIL, mechnical, 0...	5 CS		07/17/2006	6.00 USD		

Item: [10] 10100243, PENCIL, mechnical, 0.5mm

Material data | Quantities/weights | Delivery schedule | Delivery | Invoice | Conditions | Account assi...

Inv. receipt ☒ Final invoice ☐ CB head IV ☐

Tax code: P1 Taxes: Jurisdict. Code: 0411903201

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 12 Logistics and the Budget

A commitment will be recorded in the fund, funds center, operating expense commitment item and functional area for \$32.25 (5 cases of pencils times \$6.00 per box plus a \$2.25 sales tax). The \$32.25 is subtracted from your available budget.

FM acct asst Displayed in	Adj. Appr. 1 USD	Commitm 1 USD
ARK /HGA0100 /0900 /EXPENDITURES	0.00	32.25
ARK /HGA0100 /499 /EXPENDITURES	0.00	32.25
ARK /HGA0100 /499A /EXPENDITURES	0.00	32.25
ARK /HGA0100 /499A /MAINT-OPERATIONS	0.00	32.25
ARK /HGA0100 /499A /502:00:02	55,555.00	32.25
<b>Total</b>	<b>55,555.00</b>	<b>32.25</b>

The line item for the above commitment is as follows:

Commitment/Actual Line Items by Document Number									
06/29/2006 09:52:53									
RefDocNo	Item	Curr.	Σ Commt bdgt	Σ Pymt Bdgt	Text	FMA	Fund	Funds ctr	Commt item
4500000831	10	USD	32.25		PENCIL, mechnical, 0.5mm	ARK	HGA0100	499A	502:00:02
USD			32.25						

There is no change to the budget when a goods receipt is entered.

#### What Happens to the Commitment when the Invoice Is Entered?

If the invoice is entered for the same quantity and price, and the sales tax and shipping are the same as recorded in the purchase order, you won't notice a difference in the total budget commitment at invoice entry. You will see a difference in the line items as AASIS will convert the commitment from a commitment from a purchase order to a commitment from an invoice.

Example:

You enter a MIRO document for the 5 boxes of pencils in the previous example. The invoice is for a quantity of 5 at a price of \$6.00 each and \$2.25 in sales tax. Your commitment to the budget is still \$32.25, only now it will be listed in the line items as an invoice commitment rather than a purchase order commitment.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 12 Logistics and the Budget

Example 2:

Same as above, only the vendor added \$3.00 in shipping costs. An additional \$3.23 invoice commitment will be added to the fund, funds center, commitment item and functional area. (The commitment is now \$35.48 (\$32.25+\$3.00 shipping +\$0.23 tax on the shipping.)

**Enter Incoming Invoice: Company Code ARK**

Show PO structure Show worklist Hold Simulate Messages Help

Transaction Invoice Balance 0.00 USD

Basic data Payment Details Tax Contacts Note

Unpl. Del. Csts 3.00  
 Currency USD Exch. Rate 1.00000  
 Doc. Type Invoice receipt Inv. Party 100000270  
 Assignment Bus. Area 0900  
 Header Text G/L 2110001000  
 Plg level AP Planning Day 07/14/2006

Vendor 0100000270  
 Firm Direct  
 22 Sugar Plum Lane  
 CHARLESTON SC 29424  
 USA  
 800-666-7766-999 800-666-7767  
 Bank acct

Purchase Order/Scheduling Agreee... 4500000831 Goods/service items  
 Layout All information

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax c
	30.00	5 CS		4500000831	10	PENCIL, mechanical, 0.5mm	P1

The MIRO document above changed the budget commitment as follows:

FM acct asst	Adj. Appr.	Commitm
Displayed in	1 USD	1 USD
ARK /HGA0100 /0900 /EXPENDITURES	0.00	35.48
ARK /HGA0100 /499 /EXPENDITURES	0.00	35.48
Total	55,555.00	35.48

The line items for this commitment are as follows:

Commitment/Actual Line Items by Document Number							
06/29/2006 10:00:28							
RefDocNo	Item	Val.type text	Amount type	z Pymt Bdgt	Text	Fund	Funds ct
51000162	2	Invoices	Original	32.25		HGA0100	499A
	3		Original	3.23		HGA0100	499A
4500000831	10	Purchase Orders	Original	32.25	PENCIL, mechanical, 0.5mm	HGA0100	499A
			Reduction	35.48	PENCIL, mechanical, 0.5mm	HGA0100	499A
			Adjustment by Follow-on Document	3.23	PENCIL, mechanical, 0.5mm	HGA0100	499A
				35.48			

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 12 Logistics and the Budget

#### What If the Invoice Is Less than the Purchase Order?

If the invoice is less than the purchase order, you can relieve the commitment by clicking the final invoice box on each line of the MIRO document.

**Caution: Do not check the final invoice box until the last invoice has been received for that line item.**

#### Example:

Same as above, only the vendor reduced the price on the pencils to \$5.00 per case. The amount of the commitment is now \$30.10 (25.00 for the pencils + \$3.00 shipping + 2.10 tax.) The MIRO is entered, using the new line item amount. Clicking the final invoice box for the line item reduces the commitment from 35.48 to 30.10.

The screenshot shows the SAP MIRO (Invoice Verification) screen. The title bar indicates 'Invoice document' and the SAP logo is in the top right. The main window is titled 'Enter Incoming Invoice: Company Code ARK'. Below the title bar, there are buttons for 'Show PO structure', 'Show worksheet', 'Hold', 'Simulate', 'Messages', and 'Help'. The 'Transaction' field is set to 'Invoice'. The 'Balance' field shows '0.00 USD'. The 'Vendor' field is '0100000270'. The 'Invoice date' is '06/29/2006', 'Posting Date' is '06/29/2006', 'Amount' is '30.10', 'Tax amount' is '2.10', and 'Reference' is '124578'. The 'Company Code' is 'ARK State of Arkansas Little Rock'. The 'Purchase Order/Scheduling Agreement' is '4500000831'. The 'Final Invoice' checkbox is checked. A callout box points to the 'Final Invoice' checkbox with the text 'Final Invoice'. Another callout box points to the 'Final Invoice' checkbox with the text 'Scroll over to locate Final Invoice box.' The table below shows the following data:

Bill of lading	Del. Note Qty	D...	In...	Fi...	Co...	U...	Vendor
	0.000			FOB			



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 12 Logistics and the Budget

After posting the MIRO document with the Final Invoice box checked, the budget commitment is reduced as follows:

FM acct asst Displayed in	Adj. Appr. 1 USD	Commitm 1 USD
◊ - ARK /HGA0100 /0900 /EXPENDITURES	0.00	30.10
◊ - ARK /HGA0100 /499 /EXPENDITURES	0.00	30.10
◊ - ARK /HGA0100 /499A /EXPENDITURES	0.00	30.10
◊ - ARK /HGA0100 /499A /MAINT-OPERATIONS	0.00	30.10
▶ Total	55,555.00	30.10

The line items reflect the reduction. The “Adjustment by Follow-on Document” line nets the additional shipping cost, price reduction, and sales tax.

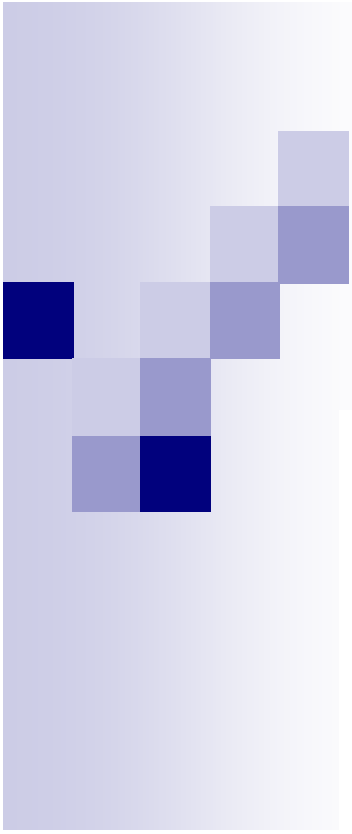
Commitment/Actual Line Items by Document Number								
06/29/2006 10:34:04								
RefDocNo	Item	Val.type text	Amount type	Curr.	z Pymt Bdgt	Text	Fund	Funds
51000175	2	Invoices	Original	USD	32.25		HGA0100	499A
	3		Original	USD	2.15-		HGA0100	499A
4500000831	10	Purchase Orders	Original	USD	32.25	PENCIL, mechancial, 0.7mm	HGA0100	499A
			Reduction	USD	30.10-	PENCIL, mechancial, 0.7mm	HGA0100	499A
			Adjustment by Follow-on Document	USD	2.15-	PENCIL, mechancial, 0.7mm	HGA0100	499A
				USD	30.10			

### Tips for Using the Final Invoice Check Box

Remember to only use the final invoice check box when the last item has been received for the line. Clicking the box relieves the commitment and opens up the budget for other use. If you had to make another payment on this line item, the budget may be taken!

Remember that the final invoice box only affects the line item checked and not other line items on the invoice. If you wish to relieve commitments on other lines of the invoice, you will have to check them separately.

The final invoice check box only affects budget and does not affect the GR/IR account.



# **Accounts Payable Basics – Logistics Invoice Verification Process**

Chapter 13  
Payment

## Accounts Payable Basics—Invoice Verification Process

### Chapter 13 Payment

The posted invoice will remain open until it is included in the payment run. The Payment Program runs Sunday through Thursday at 8:00 p.m., and the FMF0 program runs later to change the commitment to an expense in FM.

#### How Is Payment Reflected in AASIS?

At the point of payment, the vendor accounts payable account will be debited and the cash account paying the invoice will be credited.

The screenshot shows the 'Document Overview - Display' window in AASIS. The document type is 'ZP (Payment posting)' and it is a 'Normal document'. The document number is 7000000124, company code is ARK, and the fiscal year is 2007. The document date is 07/26/2006, and the posting date is also 07/26/2006. The period is 01. The document currency is USD. The payment run ID is 07/26/2006 - ETR12. A callout box points to the document type with the text 'Accounting Document for Payment'.

Item	PK	Account	Account short text	BusA	Fund	Amount	Cost Ctr	Order	Funds	Text	Assignment
1	25	100000120	Cushy Tushy Office F	0610		661.13					70000001242007
2	50	1100001001	Treasury Outgoing	0610		661.13-					20060726

The Special Purpose Ledger will account for the paying fund: the vendor accounts payable account in the fund or funds will be debited and the cash account paying the invoice will be credited.

The screenshot shows the 'Display FI-SL local actual single docs' window in AASIS. It displays a list of documents with the following columns: DocumentNo, D, Period, Year, CoCd, R, Ver, Ld, RefDocumnt, D, Postg, Date, Value, date, Entry, date, Time, and User name. The document number is 1000088812, and the period is 1. The document is dated 07/26/2006. The value is 0.00 USD. A callout box points to the document with the text 'SPL Document for Payment'.

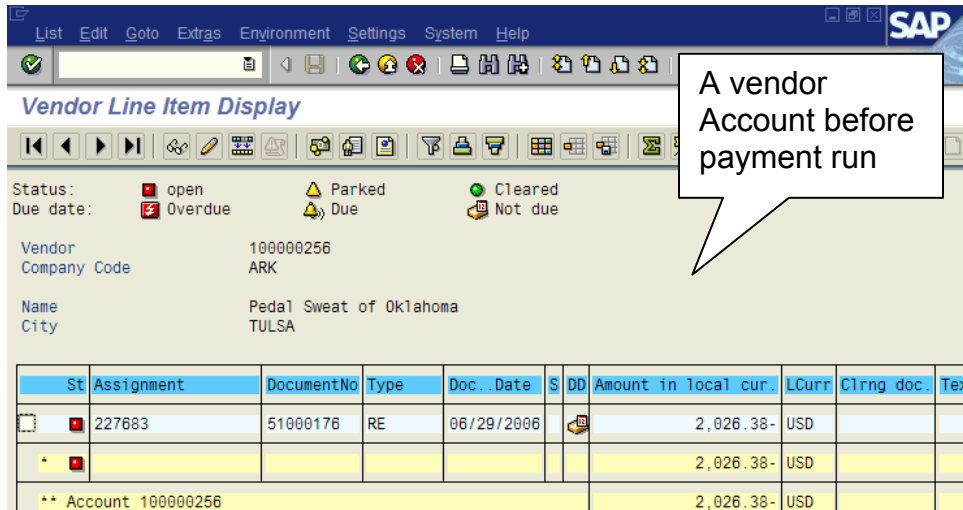
LnItem	Item	Account	Tran	BusA	Fund	F. type	Cmnt	item	Part.accnt	SBA	D/C	Trans.cur.	Crcy
000001	1	2110001000	RFB	0610	HSC6101	GENER	210:00:00	2110001000	S	322.50	USD		
000002	2	2110001000	RFB	0610	HSC6101	GENER	210:00:00	2110001000	S	338.63	USD		
000003	3	1100001001	RFB	0610	HSC6101	GENER	100:00:00		H	661.13-	USD		
* Total													
0.00 USD													

After the payment is made, another program runs in AASIS to update the budget. The commitments will be reduced and the expenditures will be increased for the amount of the payment in the fund, funds center, commitment item and functional area.

## Accounts Payable Basics—Invoice Verification Process

### Chapter 13 Payment

The payment run will automatically clear the vendor account for the invoices that were paid

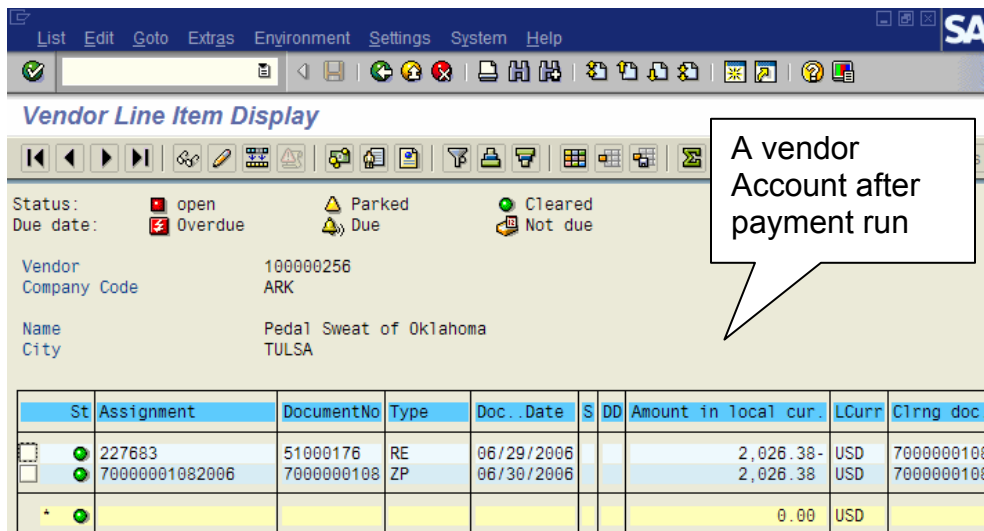


**Vendor Line Item Display**

Status: ☒ open ☐ Parked ☒ Cleared  
 Due date: ☒ Overdue ☐ Due ☐ Not due

Vendor Company Code: 100000256 ARK  
 Name: Pedal Sweat of Oklahoma  
 City: TULSA

St	Assignment	DocumentNo	Type	Doc..Date	S	DD	Amount in local cur.	LCurr	Clrng doc.	Tex
<input checked="" type="checkbox"/>	227683	51000176	RE	06/29/2006			2,026.38-	USD		
+							2,026.38-	USD		
** Account 100000256							2,026.38-	USD		



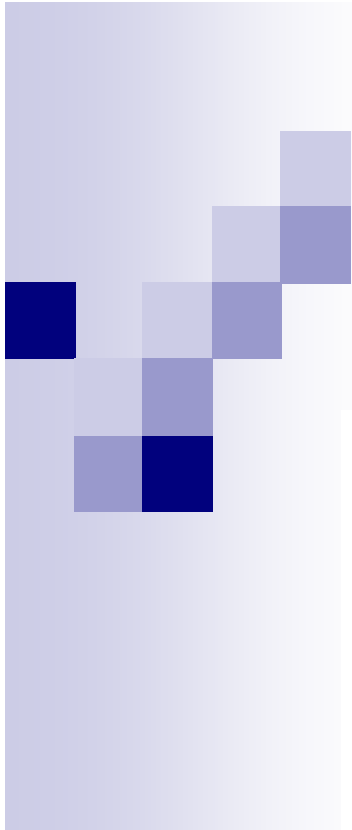
**Vendor Line Item Display**

Status: ☒ open ☐ Parked ☒ Cleared  
 Due date: ☒ Overdue ☐ Due ☐ Not due

Vendor Company Code: 100000256 ARK  
 Name: Pedal Sweat of Oklahoma  
 City: TULSA

St	Assignment	DocumentNo	Type	Doc..Date	S	DD	Amount in local cur.	LCurr	Clrng doc.	Tex
<input checked="" type="checkbox"/>	227683	51000176	RE	06/29/2006			2,026.38-	USD	7000000108	
<input checked="" type="checkbox"/>	70000001082006	7000000108	ZP	06/30/2006			2,026.38	USD	7000000108	
+							0.00	USD		

After the payment run, you can view the results in the Payment List Report, transaction S\_P99\_41000099. See the AASIS Reporting Handbook for complete details.



# **Accounts Payable Basics – Logistics Invoice Verification Process**

Chapter 14  
Troubleshooting Unpaid  
Invoices

## Accounts Payable Basics—Invoice Verification Process

### Chapter 14 Troubleshooting Unpaid Invoices

#### How Do I Know if AASIS Paid the Invoice?

To determine if any invoices are outstanding, use report ZOPENITEMAP.

1. Enter ZOPENITEMAP in the command field. There is no menu path.
2. Enter the fiscal year and your business area. Other fields are available to narrow the selection as desired.
3. Click the Execute button.

The screenshot shows the ZOPENITEM\_AP report form. At the top is a menu bar with 'Program', 'Edit', 'Goto', 'System', and 'Help'. Below the menu bar is a toolbar with various icons. The main form area is titled 'ZOPENITEM\_AP' and contains a 'Program s' section with a list of fields. Callout '3' points to the 'Execute' button (a green circle with a white 'X') in the top left corner of the form. Callout '2' points to the 'Fiscal year' field, which contains the value '2006'. The 'Business area' field contains the value '0610'. The 'Account number of vendor or' field is highlighted in yellow. The 'Further processing options' section at the bottom contains several radio buttons: 'No further processing', 'Display as table', 'Graphics', 'ABC analysis', 'Executive Info System (EIS)', 'Additional query functions', 'File store', 'Save with ID', 'Interactive list' (which is selected), 'Word processing', and 'Spreadsheet'. There are also three empty text input fields at the bottom right of the form.

Field	Value	to	Field	Value
Accounting document number		to		
Document type		to		
Document date in document		to		
Posting date in the document		to		
Accounting document entry da		to		
Fiscal year	2006	to		
Business area	0610	to		
Account number of vendor or		to		
Baseline date for due date c		to		
Payment method		to		
Payment Block Key		to		
Terms of payment key		to		
Assignment number		to		
Fund		to		
User Name		to		
G/L Account Number		to		

**Further processing options**

☐ No further processing  
☐ Display as table  
☐ Graphics  
☐ ABC analysis  
☐ Executive Info System (EIS)  
☐ Additional query functions  
☐ File store  
☐ Save with ID

☒ Interactive list  
☐ Word processing  
☐ Spreadsheet

## Accounts Payable Basics—Invoice Verification Process

### Chapter 14 Troubleshooting Unpaid Invoices

4. The report lists invoices that have been posted but not paid.
5. Scroll over to view more columns

Open item list for payment run

Year	Vendor	PM	Doc.no.	MM Number	Item	Assignment	Pstg date	Doc. date	Entry dte	Doc. Type	BA	Σ	Amount	Blinc date	PayT	RCd
2006	100000120	W	51000184	000273	001	00510001842006	06/30/2006	06/30/2006	07/03/2006	RE	0610		602.00	06/30/2006	NT15	
2006	100000133	W	51000080	000131	001	00510000802006	08/08/2005	08/08/2005	08/08/2005	RE	0610		120.00	08/08/2005	NT00	
2006	100000273	W	51000180	000269	001	00510001802006	06/30/2006	06/30/2006	06/30/2006	RE	0610		596.63	06/30/2006	NT15	
2006	100000273	W	51000182	000271	001	00510001822006	06/30/2006	06/30/2006	07/03/2006	RE	0610		2,793.50	06/30/2006	NT15	
2006	100000285	W	51000178	000267	001	00510001782006	06/30/2006	06/30/2006	06/30/2006	RE	0610		258.00	06/30/2006	NT15	
													= 4,370.13			

5

RCd	PmtMthSu	PBk	Fund	USNAM	AccNo.
		A	HSC6101	CSVOLLMAN	2110001000
			FFB0000	CSVOLLMAN	2110001000
			HSC6101	CSVOLLMAN	2110001000
		R	HSC6101	CSVOLLMAN	2110001000
			HSC6101	CSVOLLMAN	2110001000

You can't drill down to the document from this list, but you can get the document number and display it in other transactions.

#### Why Didn't My Invoice Pay?

Common reasons for nonpayment are:

1. Payment is not due.

AASIS will pay invoices when the date is equal to the Baseline date plus the number of days indicated by the payment terms. If the current date is before that, the invoice will show up on this list.

2. The Fund does not have enough cash for payment.

Cash is not checked by the system until the point of the payment run. This will require a little research. You should compare the amount of attempted payments from the fund to the amount of cash available. Look at a Trial Balance (selected for periods 0 through current period for the paying fund). Find the "Cash Available to Spend" line. Compare this amount to the amount

## Accounts Payable Basics—Invoice Verification Process

### Chapter 14 Troubleshooting Unpaid Invoices

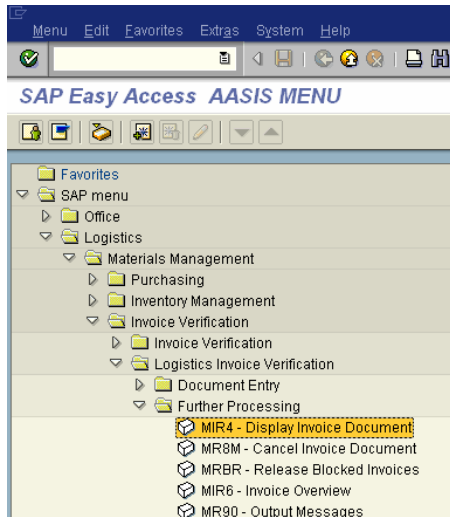
of attempted payments. The payment run sorts and groups by vendor and pays as many vendors as it can before it runs out of money.

3. There is a payment block on the invoice.

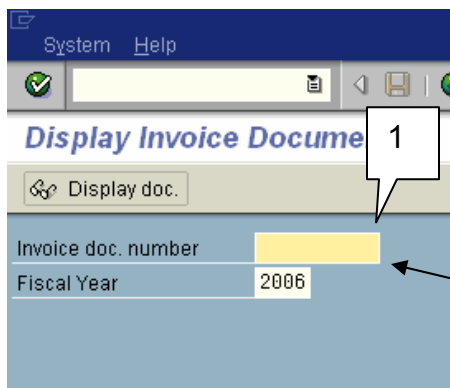
A payment block will be indicated in the PBlk column of the report. The block may be a system block (indicated by R) or a manual block entered by a user (indicated by A).

#### How Can I Find the Problem?

Start by using transaction MIR4 to view the MM document.



1. Enter the MM document number in the Invoice doc. number field. You can get this number from the ZOPENITEMAP report in the MM Number column.



The screenshot shows the 'Open item list for payment run' report. The table below contains the data. An arrow points from the 'MM Number' column of the first row to the 'Invoice doc. number' field in the previous screenshot.

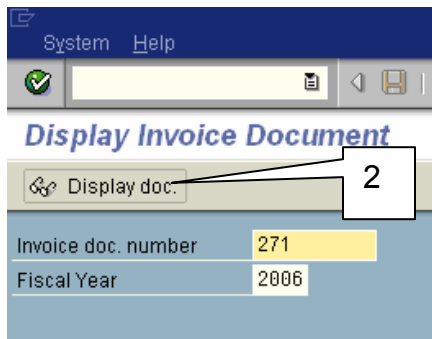
Year	Vendor	PM	Doc.no.	MM Number	Itm	Ass
2006	100000120	W	51000184	000273	001	005
2006	100000133	W	51000080	000131	001	005
2006	100000273	W	51000180	000269	001	005
2006	100000273	W	51000182	000271	001	005
2006	100000285	W	51000178	000267	001	005



## Accounts Payable Basics—Invoice Verification Process

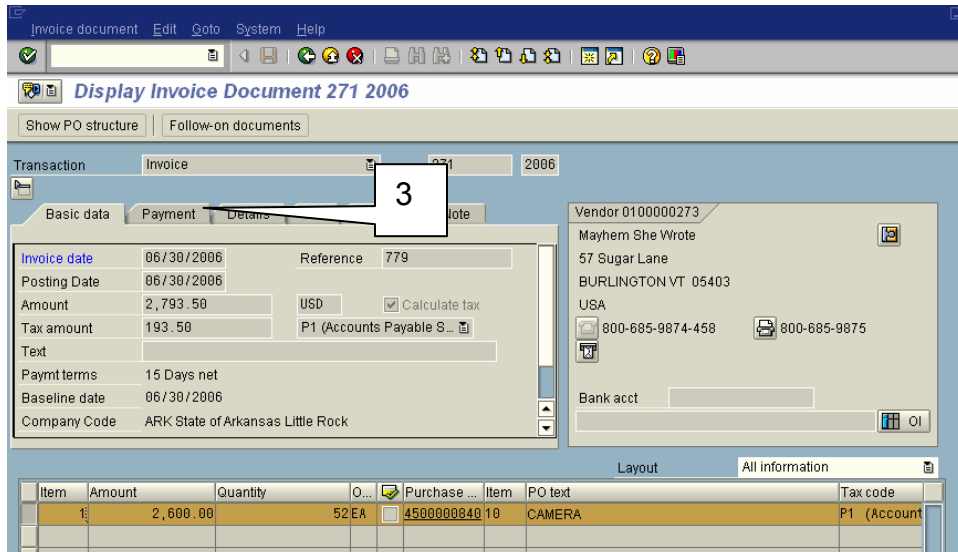
### Chapter 14 Troubleshooting Unpaid Invoices

2. Press the Enter key or click the Display doc. button.



AASIS displays the invoice. You're looking for the reason for the system block on this payment. (The ZOPENITEMAP report had the letter R in the payment block column.)

3. Click the Payment tab to view the block.



The system will block an invoice for payment:

- a. If the quantity on the invoice exceeds the quantity on the goods receipt.
- b. If the dollar amount of the payment exceeds the system calculated dollar amount by \$100 or 10%, whichever is less.
- c. Anything over \$100,000 is automatically blocked.

## Accounts Payable Basics—Invoice Verification Process

### Chapter 14 Troubleshooting Unpaid Invoices

4. “Invoice verification” is displayed in the Payment block field.
5. Check the dollar amount and quantity on the invoice.
6. To see if this amount agrees with the quantity on the goods receipt, double-click the purchase order number.

The screenshot shows the SAP 'Display Invoice Document 271 2006' window. The 'Payment' tab is active. In the 'Payment' block, the 'Invoice verification' checkbox is checked, indicated by callout 4. In the 'Item' table, the amount '2,600.00' and quantity '52 EA' are highlighted, indicated by callout 5. The purchase order number '4500000840' is visible in the 'Purchase order' field, indicated by callout 6. The vendor information on the right includes 'Mayhem She Wrote' and 'BURLINGTON VT 054'.

Item	Amount	Quantity	Unit	Purchase order	Item	PO text
10	2,600.00	52 EA		4500000840	10	CAMERA

7. Click the Purchase order history tab.

The screenshot shows the SAP 'Standard PO 450000840 Created by Colleen Vollman' window. The 'Purchase order history' tab is selected. The 'Item' table shows the details for item 10, including the amount '2,500.00' and quantity '50 EA'. The 'Purchase order history' table below shows the breakdown of the purchase order, including the net value, taxes, and discounts.

Item	Material	Short text	PO quantity	Unit	Deliv. date	Net price	Curr.	Per	Mat. group	Plant
10	10100314	CAMERA	50 EA		08/07/2006	50.00	USD	1	EA	PHOTOGR..

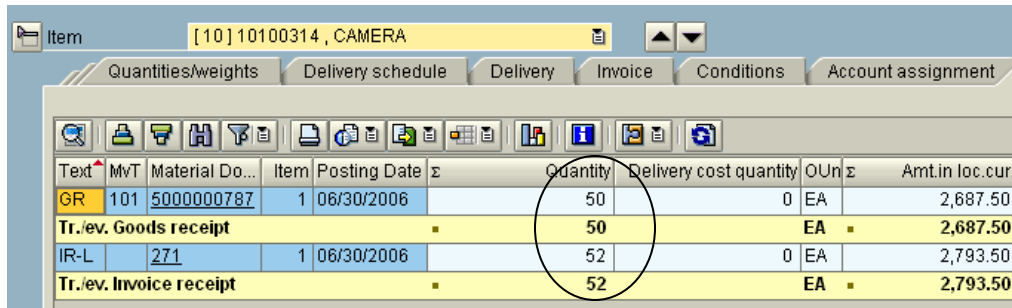
  

CnTy	Name	Amount	Crcy	per	U.	Condition value	Curr.	Num...	OU	CCon...	Un	Condition value	CdC...
PBXX	Gross Price	50.00	USD		1 EA	2,500.00	USD	1	EA	1	EA	0.00	
	Net Value	50.00	USD		1 EA	2,500.00	USD	1	EA	1	EA	0.00	
NAVN	Non-Deductible Tax	187.50	USD			187.50	USD	0				0.00	
	Tax	3.75	USD		1 EA	187.50	USD	1	EA	1	EA	0.00	
	Net including tax &	53.75	USD		1 EA	2,687.50	USD	1	EA	1	EA	0.00	
SKTO	Cash Discount	0.000	%			0.00	USD	0				0.00	
	Freight/Customs	0.00	USD		1 EA	0.00	USD	1	EA	1	EA	0.00	

## Accounts Payable Basics—Invoice Verification Process

### Chapter 14 Troubleshooting Unpaid Invoices

Note that the quantity of the Invoice Receipt is greater than the quantity of the Goods Receipt. This caused the system block.



The screenshot shows the SAP Invoice Verification interface for item [10] 10100314, CAMERA. The 'Invoice' tab is selected. The table below shows the comparison between the Goods Receipt (GR) and the Invoice Receipt (IR-L). The quantity in the invoice (52) is greater than the quantity in the goods receipt (50), which is circled in red, indicating a system block.

Text	MvT	Material Do...	Item	Posting Date	Σ	Quantity	Delivery cost quantity	OUn	Σ	Amt.in loc.cur.
GR	101	5000000787	1	06/30/2006		50		0	EA	2,687.50
Tr.ev. Goods receipt						50			EA	2,687.50
IR-L	271		1	06/30/2006		52		0	EA	2,793.50
Tr.ev. Invoice receipt						52			EA	2,793.50

#### Can I Unblock the Invoice?

**In the case of a system block for quantity, you should never manually unblock the invoice.** The correct procedure is to cancel the invoice (MR8M), clear the vendor (F-44), and enter a new invoice with the correct quantity. If the invoice is for a greater quantity than the goods receipt, contact the goods receipt person to determine what was actually received.

You can unblock an invoice when the block was put on manually, or is the result of a subsequent debit that only affects the dollar amount and not the quantity. **You should understand the reason for the block and the consequences for unblocking the invoice.**

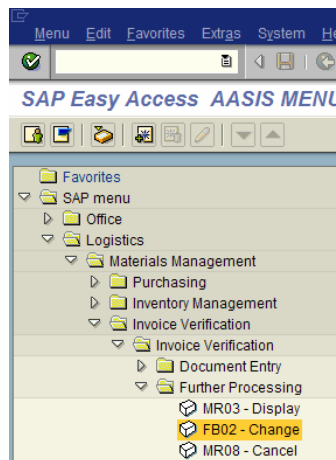
Unblocking an invoice will be discussed in detail in a later chapter.

#### What Changes Can I Make to a Posted Invoice?

An invoice that has been posted can have the following fields changed:

- Withholding tax code
- Assignment number in the line item
- Payment terms

Use transaction FB02 to change a posted invoice.



## Accounts Payable Basics—Invoice Verification Process

### Chapter 14 Troubleshooting Unpaid Invoices

1. Enter the FI document number or use the document list button (described earlier) to search. Click the green check or press the Enter key.

**Change Document: Initial Screen**

Document list First item Editing options

Keys for Financial Accounting

Document Number	51000173
Company Code	ARK
Fiscal Year	2007

2. AASIS displays the document. Double-click the line with the vendor name.

**Document Overview - Change**

Doc.type : RE ( Invoice receipt ) Normal document

Doc. Number	51000173	Company code	ARK	Fiscal year	2007
Doc. date	07/26/2006	Posting date	07/26/2006	Period	01
Calculate Tax	<input checked="" type="checkbox"/>				
Ref.doc.	299998				
Doc.currency	USD				

Item	PK	Account	Account short text	BusA	Fund	Amount	Cost Ctr	Order	Funds	Text	Assignment
1	31	100000077	Aunt Thelma's Feathe	0610		145.13-					00510001732007
2	86	2111001000	GRIR Clearing	0610	HSC6101	129.00	383201		272		450000084200010
3	81	5030005000	02-Bldg & Grds Maint	0610	HSC6101	16.13	383201		272		0000383201

## Accounts Payable Basics—Invoice Verification Process

### Chapter 14 Troubleshooting Unpaid Invoices

3. Change the withholding tax code (a), the payment terms(b), assignment line(c), or text(d) as desired.
4. Click the Back button to continue.

**Change Document: Line Item 001**

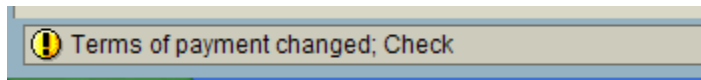
Vendor: 100000077 Aunt Thelma's Feathered Friends G/L Acc: 2110001000  
 Company Code: ARK 85 Avian Way  
 State of Arkansas BIRMINGHAM Doc. no. 51000173

Line Item 1 / Invoice / 31  
 Amount: 145.13 USD  
 Tax code: P1  
 W.tax base: USD W.tax exempt: 145.13 W.Tax Code: 00

**Additional details**

Bus. Area: 0610  
 Disc. base: 145.13 USD Disc. amount: 0.00 USD  
 Pay terms: NT15 Days/percent: 15 %  
 Bline date: 07/26/2006 Fixed  
 Pmnt block: Invoice ref.: / /  
 Payment cur.:  
 Pmt Method: W Pmt meth. supl.  
 Payment Ref.:  
 Assignment: 00510001732007  
 Text: Long Text

If you changed the payment terms, you will see a warning message. Press the enter key to clear this message and continue.



5. Double click the GR/IR Clearing line of the document.

**Document Overview - Change**

Doc.type: RE ( Invoice receipt ) Normal document

Doc. Number	51000173	Company code	ARK	Fiscal year	2007
Doc. date	07/26/2006	Posting date	07/26/2006	Period	01
Calculate Tax	<input checked="" type="checkbox"/>				
Ref.doc.	299998				
Doc.currency	USD				

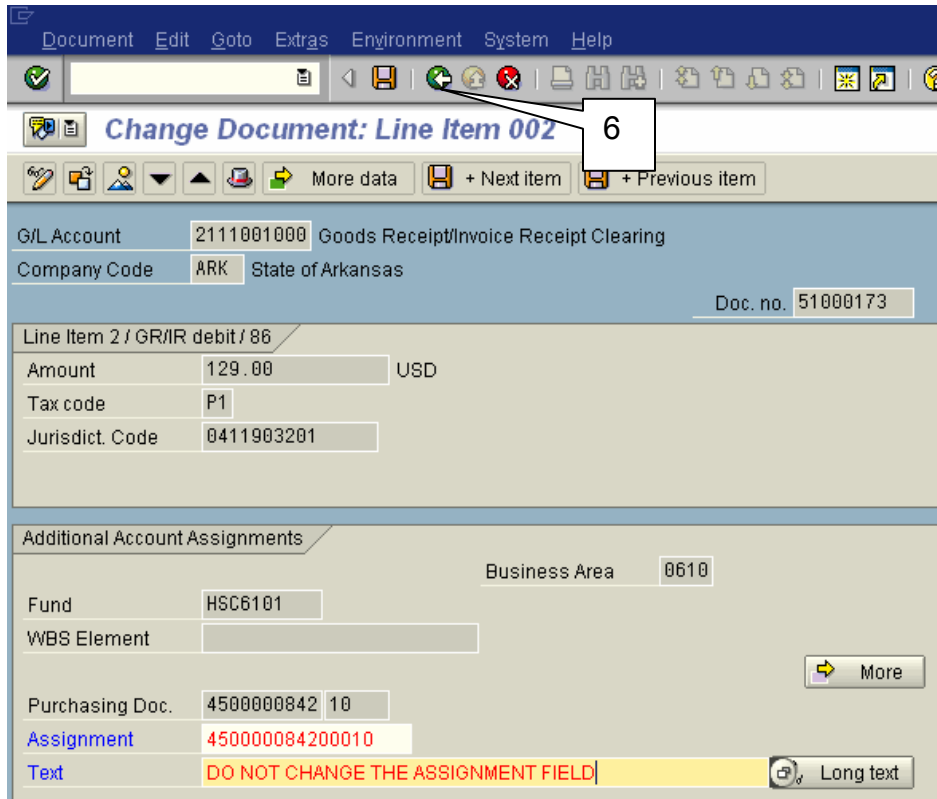
Itm	PK	Account	Account short text	Bus#	Amount	Cost Ctr	Order	Funds	Text	Assignment
1	31	100000077	Aunt Thelma's Feath	0610	145.13-					00510001732007
2	86	2111001000	GRIR Clearing	0610	129.00	383201		272		450000084200010
3	81	5030005000	02-Bldg & Grds Maint	0610	16.13	383201		272		0000383201

## Accounts Payable Basics—Invoice Verification Process

### Chapter 14 Troubleshooting Unpaid Invoices

**Please note:** The only thing that you can do in this screen is add text. Even though the assignment line looks like it is open for entry, **you should not change the assignment line**. Doing so will cause an error in the accounts.

6. Add text if desired and click the back button to continue.



**Change Document: Line Item 002**

Document Number: 51000173

G/L Account: 2111001000 Goods Receipt/Invoice Receipt Clearing

Company Code: ARK State of Arkansas

Line Item 2 / GR/IR debit / 86

Amount: 129.00 USD

Tax code: P1

Jurisdiction Code: 0411903201

Additional Account Assignments

Fund: HSC6101

WBS Element:

Business Area: 0610

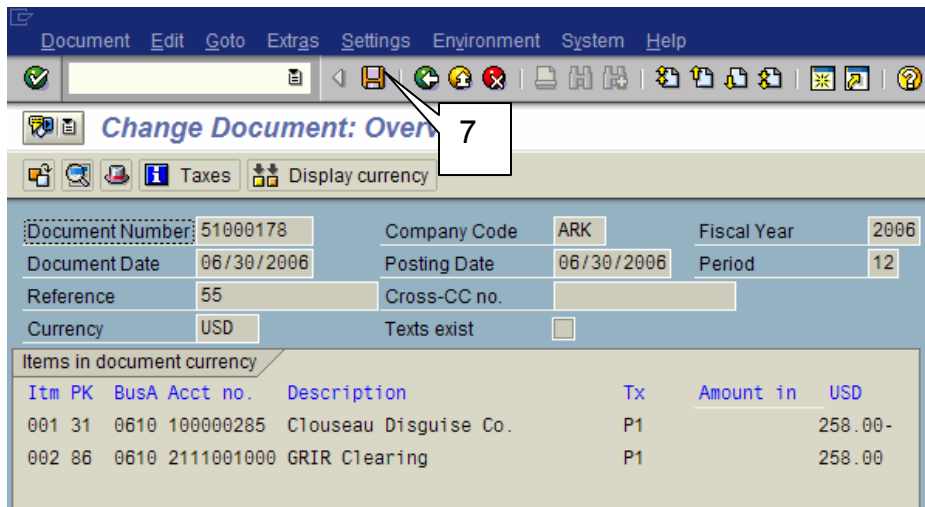
Purchasing Doc.: 4500000842 10

Assignment: 450000084200010

Text: DO NOT CHANGE THE ASSIGNMENT FIELD

More data + Next item + Previous item

7. Save the document.



**Change Document: Overview**

Document Number: 51000178

Company Code: ARK

Fiscal Year: 2006

Document Date: 06/30/2006

Posting Date: 06/30/2006

Period: 12

Reference: 55

Cross-CC no.:

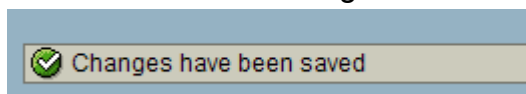
Currency: USD

Texts exist: ☐

Items in document currency

Item	PK	BusA	Acct no.	Description	Tx	Amount in	USD
001	31	0610	100000285	Clouseau Disguise Co.	P1	258.00-	
002	86	0610	2111001000	GRIR Clearing	P1	258.00	

AASIS returns a message that the changes have been saved.



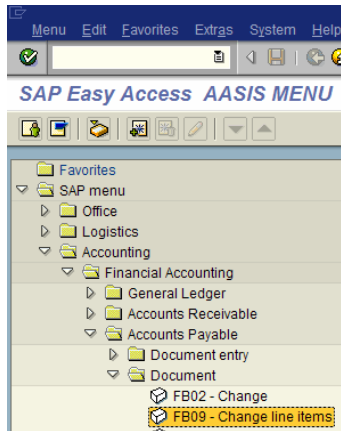
Changes have been saved

## Accounts Payable Basics—Invoice Verification Process

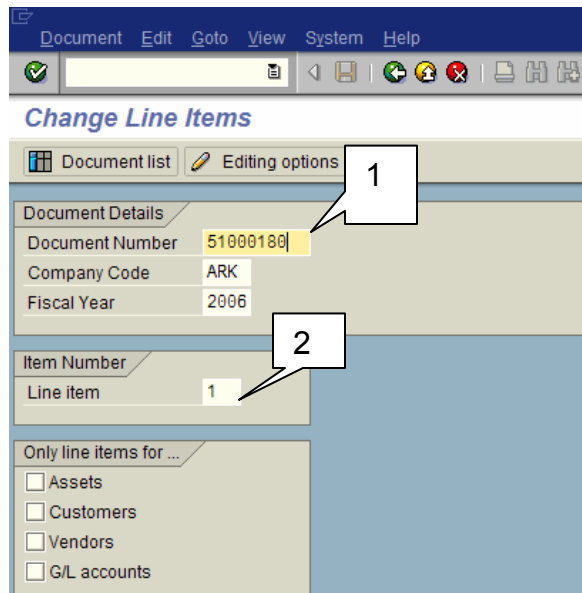
### Chapter 14 Troubleshooting Unpaid Invoices

#### Changing a Document with Transaction FB09

You can also change a document one line at a time with transaction FB09.



1. Enter the document number, or use the document list button to display a list of documents from which to choose.
2. Enter the line item you wish to change, or use the “only line items for” box to narrow down your search for assets, customers, vendors, or GL accounts.



## Accounts Payable Basics—Invoice Verification Process

### Chapter 14 Troubleshooting Unpaid Invoices

AASIS displays a line from the document according to your specifications.

Document Edit Goto Extras Environment System Help

Change Line Items Line Item 001

More data Withholding tax data

Vendor 100000273 Mayhem She Wrote G/L Acc 2110001000  
Company Code ARK 57 Sugar Lane  
State of Arkansas BURLINGTON Doc. no. 51000180

Line Item 1 / Invoice / 31

Amount 596.63 USD  
Tax code P1  
W.tax base USD W.tax exempt 596.63 W.Tax Code 00

Additional details

Bus. Area 0610  
Disc. base 596.63 USD Disc. amount 0.00 USD  
Payt terms NT15 Days/percent 15 %  
Bline date 06/30/2006 Fixed  
Pmnt block Invoice ref. / /  
Payment cur.  
Pmt Method W Pmt meth.supl.  
Payment Ref.  
Assignment 00510001802006  
Text Long Text

3. Make changes as desired.

4. Save the changes.

Document Edit Goto Extras Environment System Help

Change Line Items Line Item 001

More data Withholding tax data

Vendor 100000273 Mayhem She Wrote G/L Acc 2110001000  
Company Code ARK 57 Sugar Lane  
State of Arkansas BURLINGTON Doc. no. 51000180

Line Item 1 / Invoice / 31

Amount 596.63 USD  
Tax code P1  
W.tax base USD W.tax exempt 596.63 W.Tax Code 00

Additional details

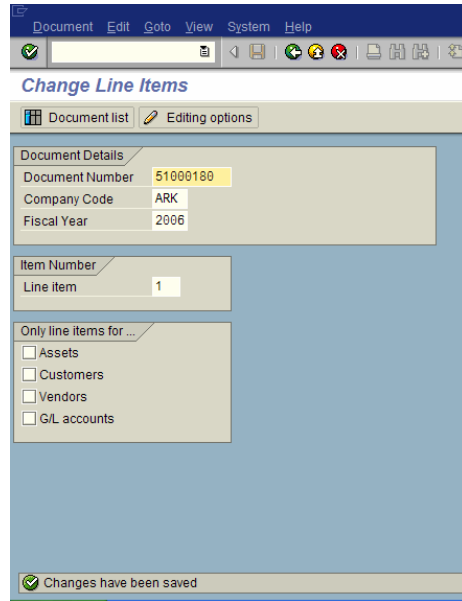
Bus. Area 0610  
Disc. base 596.63 USD Disc. amount 0.00 USD  
Payt terms NT00 Days/percent %  
Bline date 06/30/2006 Fixed  
Pmnt block Invoice ref. / /  
Payment cur.  
Pmt Method W Pmt meth.supl.  
Payment Ref.  
Assignment 123456  
Text the payment method, assignment, and text were chgd Long Text



## Accounts Payable Basics—Invoice Verification Process

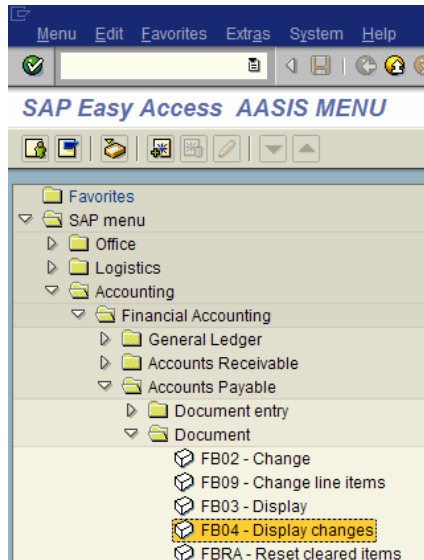
### Chapter 14 Troubleshooting Unpaid Invoices

AASIS takes you back to the Change Line Items selection screen with the message: “Changes have been saved”. Repeat process as needed for additional lines. Remember that you can’t change the assignment field on the GR/IR clearing line.



### How Can I Find Out What Changes Have Been Made to a Document?

To view document changes, use transaction FB04.



## Accounts Payable Basics—Invoice Verification Process

### Chapter 14 Troubleshooting Unpaid Invoices

1. Enter the document number and fiscal year.
2. You can use the “period of change” box to narrow down the time period of the changes that you wish to view. Press the Enter key.

**Document Changes: Initial Screen**

Company Code:

Document Number:  1

Fiscal Year:

Period of change

From change date:

Time:  2

Changed by:

AASIS displays a list of changes.

3. To view more information, click the All changes button.

**Document Changes: Changed Fields**

Document 0051000180 Company Code ARK Year 2006

Assignment
Changed on
Days 1
Payment terms
Planning date
Text
Withholding Tax Code

The display reveals the date of the change, the field that was changed, the new field contents and the old field contents.

4. To view more information, select a line and click the choose button.

**Document Changes: Overview**

Document 0051000180 Company Code ARK Year 2006

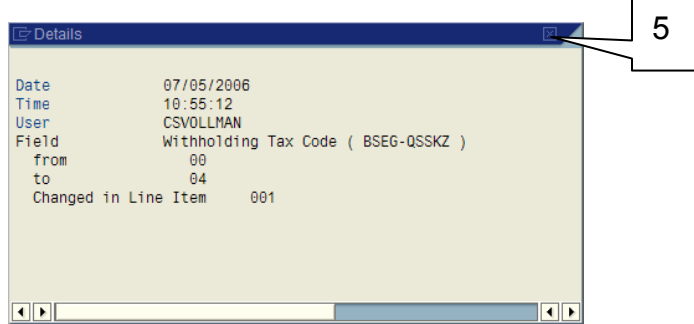
Date	Field	New	Old
07/05/06	Withholding Tax Code	04	00
07/05/06	Changed on	07/05/2006	00/00/0000
07/05/06	Planning date	06/30/2006	07/15/2006
07/05/06	Text	the payment method, ass	
07/05/06	Days 1	0	15
07/05/06	Payment terms	NT00	NT15
07/05/06	Assignment	123456	00510001802006

## Accounts Payable Basics—Invoice Verification Process

### Chapter 14 Troubleshooting Unpaid Invoices

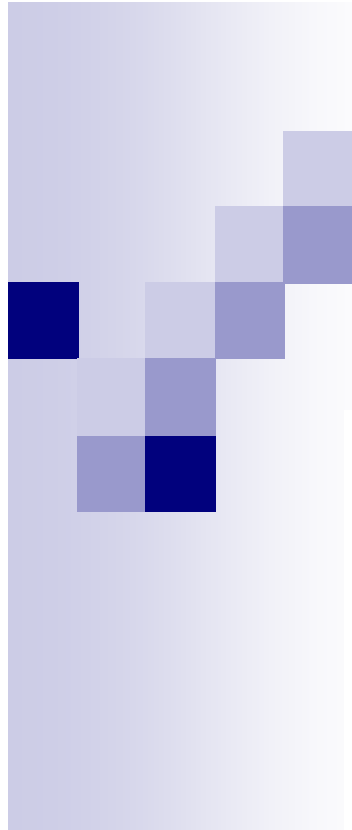
The details box will pop up. You can now view more details of the change including the user id of the person who made the change, the time and the line item of the document that was changed.

5. Close the details box to go back to the changed fields screen and select other items as desired.



#### Exercise

Change the payment terms on the invoice you created in Chapter 8 Exercise 1 to “Pay immediately”. View the change in transaction FB04.



# **Accounts Payable Basics – Logistics Invoice Verification Process**

Chapter 15  
Warrant Cancellations and  
Outlawed Warrants

## Accounts Payable Basics—Invoice Verification Process

### Chapter 15 Warrant Cancellations and Outlawed Warrants

#### What Is a Warrant Cancellation?

This is the process by which you either void and reissue a warrant, or cancel the warrant without reissue.

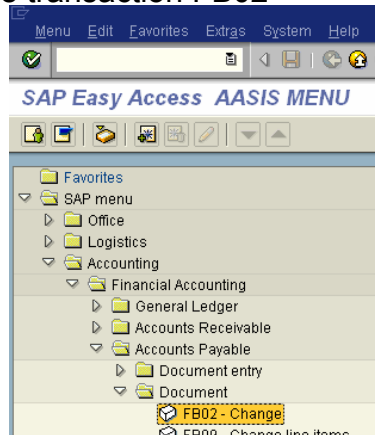
To cancel a warrant, you must send in a form to DFA Office of Accounting. The form can be found on DFA's website.

You can indicate on the form whether you want the warrant to be reissued or not. If the warrant will not be reissued, you must provide document numbers so that DFA can reverse the invoice up to the point of goods receipt. (The agency must reverse the goods receipt.) Once DFA has cancelled the warrant, the status of the invoice will be open for payment. The warrant will automatically reissue if the invoice is not reversed.

If the warrant is being reissued because it originally went to the wrong address, you should mark it for pick up so that you can mail it yourself to make sure it goes to the right place. (Notify Office of State Purchasing if a permanent address change is needed.) DFA will notify your agency when the document is ready to be marked for pickup.

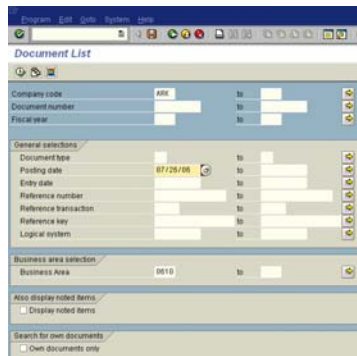
#### How Do I Mark the Warrant for Pick Up?

Use transaction FB02



Enter the document number, or make entries to narrow the selection to search for the document.

Click the Execute button.



## Accounts Payable Basics—Invoice Verification Process

### Chapter 15 Warrant Cancellations and Outlawed Warrants

Double-click the document.

CoCd	DocumentNo	Year	Type	Doc.Date	Posting Date
ARK	50000656	2007	WE	07/26/2006	07/26/2006
	50000657	2007	WE	07/26/2006	07/26/2006
	50000658	2007	WE	07/26/2006	07/26/2006
	51000170	2007	RE	07/26/2006	07/26/2006
	51000171	2007	RE	07/26/2006	07/26/2006
	51000172	2007	RE	07/26/2006	07/26/2006
	51000173	2007	RE	07/26/2006	07/26/2006
	7000000124	2007	ZP	07/26/2006	07/26/2006
	7000000125	2007	ZP	07/26/2006	07/26/2006

Double-click the vendor line of the document.

Item	PK	Account	Account short text	BusA	Fund	Amount	Cost Ctr	Order	Funds	Text	Assignment
1	31	100000077	Aunt Thelma's Feathe	0610		145.13-					00510001732007
2	86	2111001000	GRIR Clearing	0610	HSC6101	129.00	383201		272		450000084200010
3	81	5030005000	02-Bldg & Grds Maint	0610	HSC6101	16.13	383201		272		0000383201

## Accounts Payable Basics—Invoice Verification Process

### Chapter 15 Warrant Cancellations and Outlawed Warrants

Place your cursor in the Pmnt meth supl box and click the match code.

Choose A—Hold for Agency Pickup

Click the Save button.

Document Edit Goto Extras Environment System Help

**Change Document: Line Item 001**

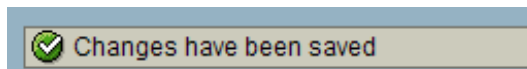
More data + Next item + Previous item Withholding ta

Vendor 100000077 Aunt Thelma's Feathered Friends G/L Acc 2110001000  
Company Code ARK 85 Avian Way  
State of Arkansas BIRMINGHAM Doc. no. 51000173

Line Item 1 / Invoice / 31  
Amount 145.13 USD  
Tax code P1  
W.tax base USD W.tax exempt 145.13 W.Tax Code 00

Additional details  
Bus. Area 0610  
Disc. base 145.13 USD Disc. amount 0.00 USD  
Payt terms NT15 Days/percent 15 % %  
Blne date 07/26/2006 Fixed  
Pmnt block Invoice ref. / /  
Payment cur.  
Pmt Method W Pmt meth supl. A  
Payment Ref.  
Assignment 00510001732007  
Text Long Text

AASIS returns a message that the changes were saved.



### Prior Year Warrants

When prior year warrants are cancelled and reissued, they are not reissued through AASIS, but are duplicated by the state auditor.

### Outlawed Warrants

If they are not redeemed after a certain amount of time, warrants become “outlawed” and cannot be paid.

Outlawed warrants are outstanding warrants from the previous twelve months following the close of a fiscal year.

Example 1: A warrant from July of 2004 is considered an outlawed warrant after June 30, 2006.

Example 2: A warrant from June 2005 is considered an outlawed warrant after June 30, 2006.

The money from outlawed warrants (if state general revenue funds) is subject to reclaim by the state.

**Accounts Payable Basics—Invoice Verification Process**  
**Chapter 15 Warrant Cancellations and Outlawed Warrants**

For more information on outlawed warrants, see pages 76 and 77 of the Financial Management Guide.

[http://www.arkansas.gov/dfa/accounting/guide/acc\\_fin\\_man\\_guide\\_index.html](http://www.arkansas.gov/dfa/accounting/guide/acc_fin_man_guide_index.html)





# **Accounts Payable Basics – Logistics Invoice Verification Process**

Chapter 16  
Canceling a Logistics  
Invoice

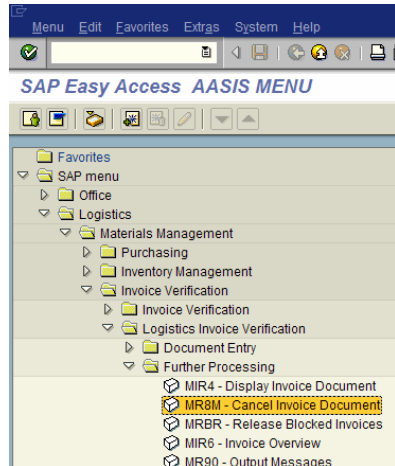
## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 16 Canceling a Logistics Invoice

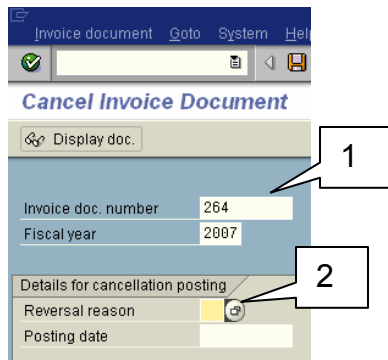
#### How Can I Cancel a Logistics Invoice?

You cannot cancel or reverse a MIRO that has already paid. MIRO invoices that have not been paid can be reversed. You can reverse the MIRO with transaction MR8M. After you have reversed the MIRO, it will be necessary to clear the vendor to prevent payment.

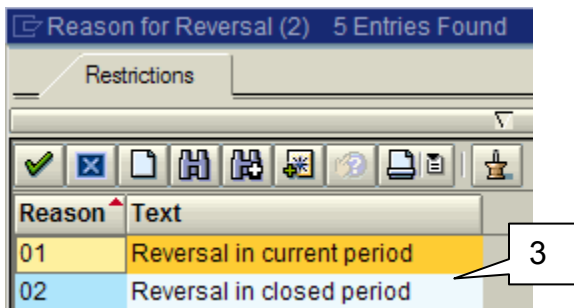
Use transaction MR8M to reverse the logistics invoice.



1. Enter the MM document number.
2. Click the match code to select a reversal reason.



3. Double-click either 01 if the document was posted in the current accounting period, or 02 if posted in a different period than the one you're in.

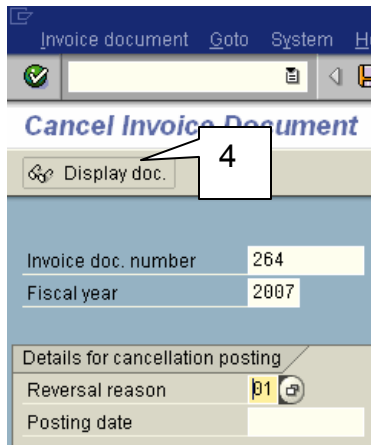


## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 16 Canceling a Logistics Invoice

AASIS populates the reversal reason that you selected.

4. Click the Display doc button.



Invoice document Goto System Help

**Cancel Invoice Document**

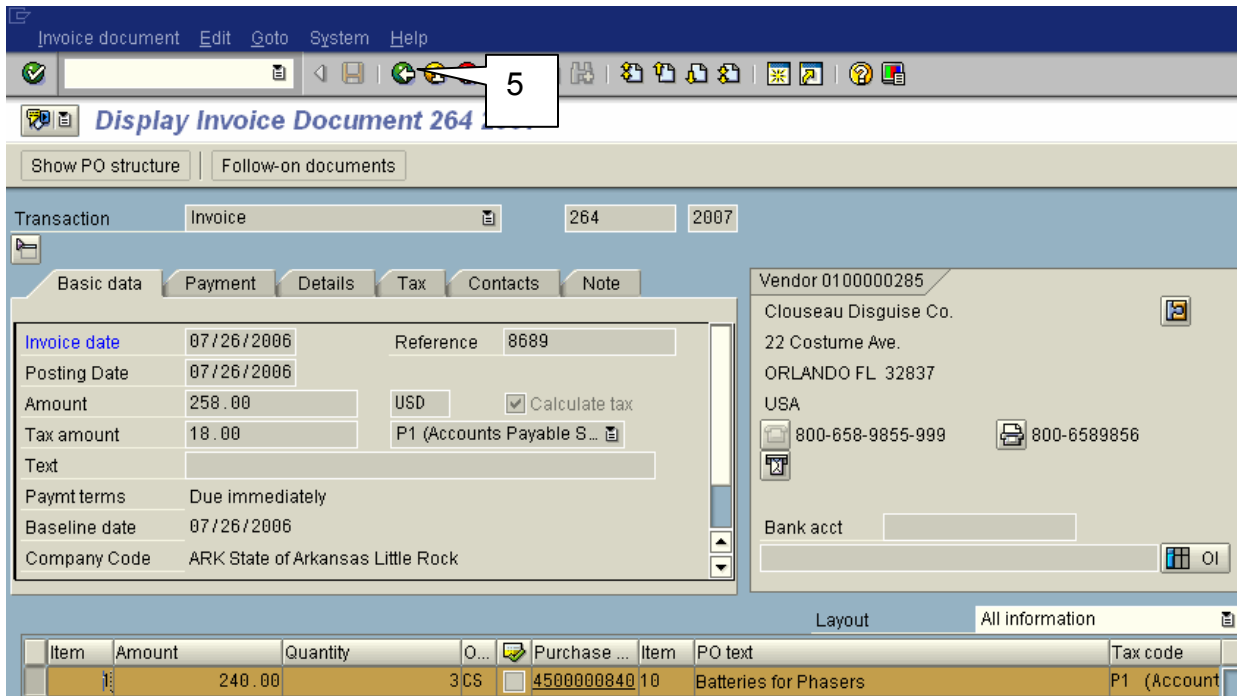
Display doc.

Invoice doc. number 264  
Fiscal year 2007

Details for cancellation posting  
Reversal reason 01  
Posting date

Make sure that this is the document that you want to reverse. Make note of the FI document number, the posting date, and the vendor number.

5. Click the back button to go back to the reversal screen.



Invoice document Edit Goto System Help

**Display Invoice Document 264**

Show PO structure Follow-on documents

Transaction Invoice 264 2007

Basic data Payment Details Tax Contacts Note

Invoice date 07/26/2006 Reference 8689  
Posting Date 07/26/2006  
Amount 258.00 USD Calculate tax  
Tax amount 18.00 P1 (Accounts Payable S...  
Text  
Paymt terms Due immediately  
Baseline date 07/26/2006  
Company Code ARK State of Arkansas Little Rock

Vendor 0100000285  
Clouseau Disguise Co.  
22 Costume Ave.  
ORLANDO FL 32837  
USA  
800-658-9855-999 800-6589856  
Bank acct

Layout All information

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	240.00	3 CS		4500000840	10	Batteries for Phasers	P1 (Account

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 16 Canceling a Logistics Invoice

6. Click the save button to cancel the document.

Invoice document Goto System Help

Cancel Invoice Document

Display doc.

Invoice doc. number 264

Fiscal year 2007

Details for cancellation posting

Reversal reason 01

Posting date

AASIS returns a message with the document number of the reversal and a reminder to clear the FI documents. This means that you'll need to manually clear the vendor.

Document reversed with no. 265: Please manually clear FI documents

7. Display the reversal document in MIR4.
8. Click the follow-on documents.,
9. Make note of the FI document number.

System Help

Display Invoice Document

Display doc.

Invoice doc. number 265

Fiscal Year 2007

Invoice document Edit Goto System Help

Display Invoice Document 265 2007

Show PO structure Follow-on documents

Transaction Invoice

Basic data Payment Details Tax Contacts

Invoice date 08/03/2006 Reference 79968

Posting Date 08/03/2006

List of Documents in Accounting

Documents in Accounting

Object type text	Doc. Number
Accounting document	0051000172
Spec. purpose ledger	1000088904
Controlling Document	0100087902
Funds Management doc	1000085184

Original document

### How Do I Clear the Vendor?

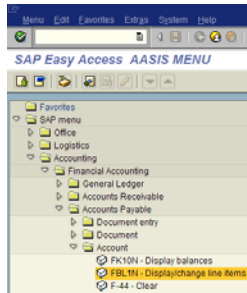
You can manually clear the vendor with transaction F-44. Directions for this transaction will follow after a brief discussion on displaying the vendor.

## Accounts Payable Basics—Logistics Invoice Verification Process

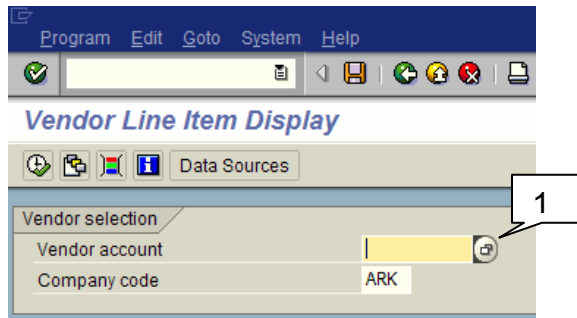
### Chapter 16 Canceling a Logistics Invoice

#### Transaction FBL1N

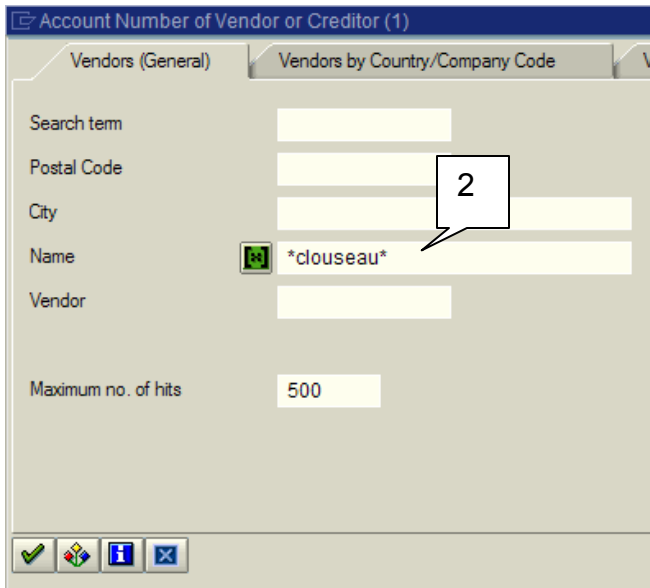
To display the vendor account, use transaction FBL1N.



1. Click the match code to search for the vendor number.



2. Type in part of the description, using asterisks as wild cards. Press the Enter key or click the green check.



AASIS returns a list of vendors matching your specification.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 16 Canceling a Logistics Invoice

3. Double-click to select the desired vendor from the list.

Account Number of Vendor or Creditor (1) 1 Entry found

Vendors (General) Vendors by Country/Company Code

SearchTer...	PostalCode	City	Name 1	Vendor
VEND	32837	ORLANDO	CLOUSEAU DISGUISE CO.	100000285

AASIS populates the vendor account.

4. Click the radio button to select open items, cleared items, or all items.
5. You must enter a date or date range.
6. Click the Execute button.

Vendor Line Item Display

Vendor selection

Vendor account: 100000285 to  
Company code: ARX to

Selection using search help

Search help ID  
Search string  
Complex search help

Line item selection

Status

☐ Open items  
Open at key date: 07/26/2006

☐ Cleared items  
Clearing date: to  
Open at key date:

☒ All items  
Posting date: 07/01/2006 to 07/26/2006

Type

☒ Normal items  
☐ Special GL transactions  
☐ Noted items  
☐ Parked items  
☐ Customer items

## Accounts Payable Basics—Logistics Invoice Verification Process

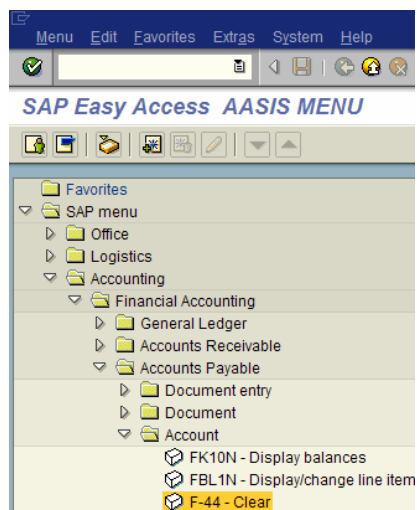
### Chapter 16 Canceling a Logistics Invoice

AASIS displays the selected vendor line items. Note the codes to indicate the status of each line item.

Vendor Line Item Display										
<div> <div> <div>Status:</div> <div> <div></div> open <div></div> Parked <div></div> Cleared </div> </div> <div> <div>Due date:</div> <div> <div></div> Overdue <div></div> Due <div></div> Not due </div> </div> </div> <div> <div>Vendor</div> <div>Company Code</div> <div>Name</div> <div>City</div> </div> <div> <div>100000285</div> <div>ARK</div> <div>Clouseau Disguise Co.</div> <div>ORLANDO</div> </div>										
St	Assignment	DocumentNo	Type	Doc..Date	S	DD	Amount in local cur.	LCurr	Clrng doc.	Text
	00510001702007	51000170	RE	07/26/2006			258.00 -	USD		
	00510001702007	51000171	RE	07/26/2006			258.00	USD		MR8M
*							0.00	USD		
	00510000962006	51000096	RE	01/23/2006			44.00 -	USD	7000000104	
	00510000972006	51000097	RE	01/23/2006			66.00 -	USD	7000000104	
	00510000982006	51000098	RE	01/23/2006			154.00 -	USD	7000000104	
	00510000992006	51000099	RE	01/23/2006			154.00 -	USD	7000000104	
	00510001002006	51000100	RE	01/23/2006			44.00 -	USD	7000000104	
	70000001042006	7000000104	ZP	06/26/2006			462.00	USD	7000000104	
*							0.00	USD		
** Account 100000285							0.00	USD		

#### Transaction F-44

Use transaction F-44 to manually clear an open line item.



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 16 Canceling a Logistics Invoice

1. Enter the vendor number or use the match code to search.
2. Select document number if known, or at least business area to prevent canceling someone else's documents.
3. Click the Process open items button.

Document Edit Goto Settings System Help

Clear Vendor: Enter Data

Process open items

Account 100000285 Clearing date 07/26/2006 Period 1

Company Code ARK Currency USD

Open item selection

Special G/L ind ☐ Normal OI ☒

Additional selections

☐ None

☒ Document Number

☐ Fund

☐ Posting Date

☐ Dunning Area

☐ Reference

☐ Payment order

☐ Collective invoice

☐ Document type

☐ Business Area

☐ Tax code

☐ Others

4. If you selected document number, enter the document number or range of accounting document numbers. If you selected business area, enter your business area.

Document Edit Goto Settings System Help

Clear Vendor: Enter selection criteria

Other selection Other account Process open items

Parameters entered

Company Code ARK

Account 100000285

Account type K

Special G/L ind. ☒ Standard OIs

Document Number

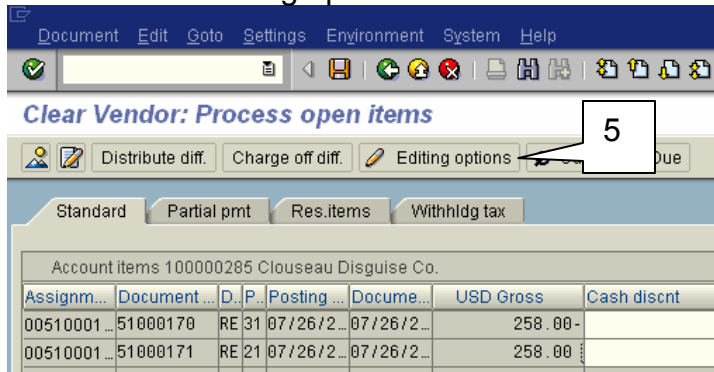
From 51000170 To 51000171 String Initial value



## Accounts Payable Basics—Logistics Invoice Verification Process

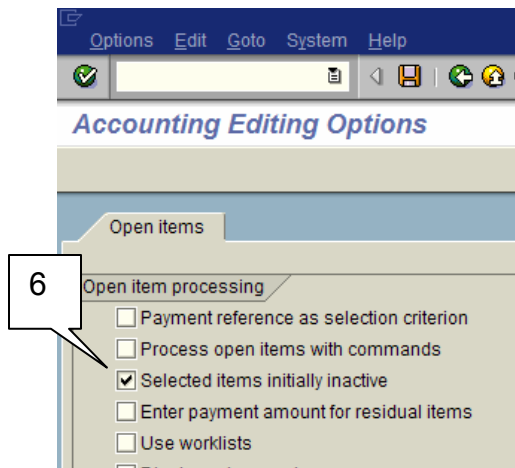
### Chapter 16 Canceling a Logistics Invoice

5. If you haven't set your options to "Selected items initially inactive", click on the Editing options button.



6. Click in the box for "Selected items initially inactive" and click the Save button.

Since all items for a particular vendor will appear in transaction F-44, selecting "all items initially inactive" lets you highlight only the items that you select for clearing.



Once you have set your editing options, you'll need to exit the transaction and start the clearing process over.

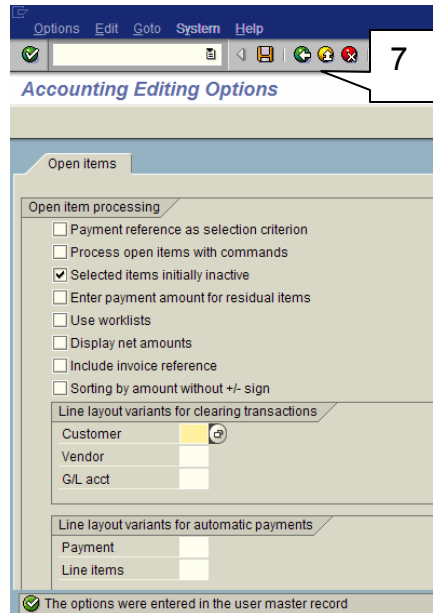
Note: You can also set your editing options in transaction FB00 Accounting Editing Options.

## Accounts Payable Basics—Logistics Invoice Verification Process

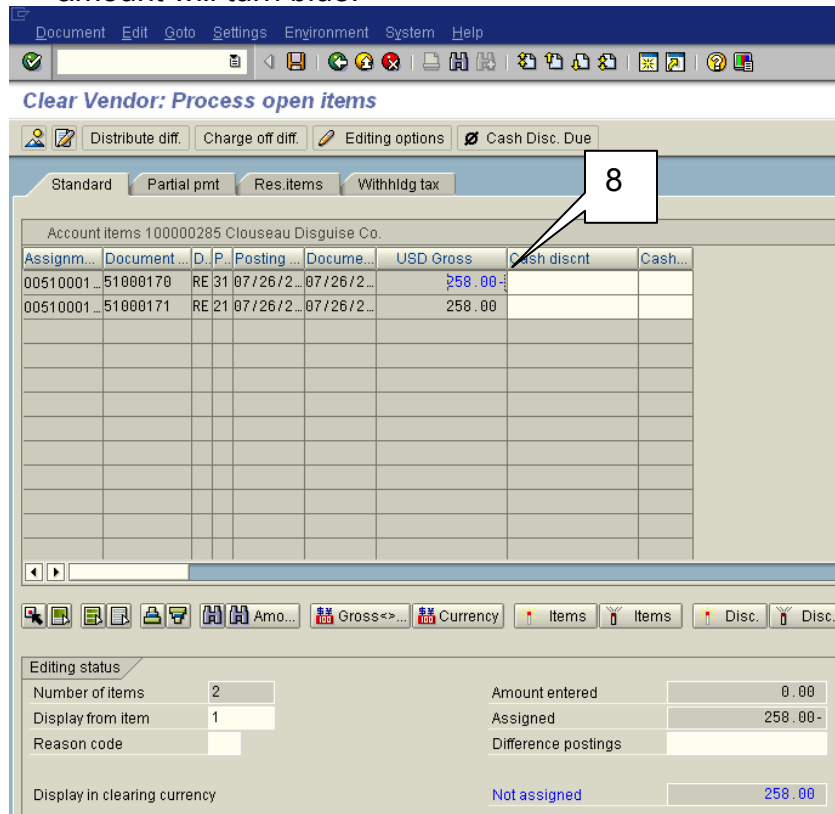
### Chapter 16 Canceling a Logistics Invoice

AASIS will return the message “the options were entered in the user master record”. This means that you need not repeat the editing options step from now on.

7. Click the back button to continue and re-enter the transaction.



8. Double-click an item to select it. When selected, the “USD Gross” amount will turn blue.



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 16 Canceling a Logistics Invoice

9. To manually clear the item, a matching debit and credit amount must be selected.
10. The “not assigned” field should be zero.
11. Click the Save button.

Clear Vendor: Process open items

Standard Partial pmt Res.items Withhldg tax

Account items 100000285 Clouseau Disguise Co.

Assignm...	Document...	D...	P...	Posting...	Docume...	USD Gross	Cash	Cash...
00510001...	51000170	RE	31	07/26/2...	07/26/2...	258.00-		
00510001...	51000171	RE	21	07/26/2...	07/26/2...	258.00		

Editing status

Number of items 2

Display from item 1

Reason code

Amount entered 0.00

Assigned 0.00

Difference postings

Display in clearing currency Not assigned 0.00

Save

AASIS returns a document number.

Document 1000176 was posted in company code ARK

View the vendor in transaction FBL1N again to make sure the line item was cleared.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 16 Canceling a Logistics Invoice

The vendor line item report shows that the document was cleared.

Vendor Line Item Display										
Status: <span style="color: red;">■</span> open <span style="color: orange;">▲</span> Parked <span style="color: green;">●</span> Cleared Due date: <span style="color: red;">■</span> Overdue <span style="color: orange;">▲</span> Due <span style="color: green;">●</span> Not due										
Vendor		100000285								
Company Code		ARK								
Name		Clouseau Disguise Co.								
City		ORLANDO								
St	Assignment	DocumentNo	Type	Doc..Date	S	DD	Amount in local cur.	LCurr	Clrng doc.	Text
<input checked="" type="checkbox"/>	<span style="color: green;">●</span> 00510001702007	51000170	RE	07/26/2006			258.00 -	USD	1000176	
<input checked="" type="checkbox"/>	<span style="color: green;">●</span> 00510001702007	51000171	RE	07/26/2006			258.00	USD	1000176	MR8M
<input checked="" type="checkbox"/>	<span style="color: green;">●</span> 00510000962006	51000096	RE	01/23/2006			44.00 -	USD	7000000104	
<input checked="" type="checkbox"/>	<span style="color: green;">●</span> 00510000972006	51000097	RE	01/23/2006			66.00 -	USD	7000000104	
<input checked="" type="checkbox"/>	<span style="color: green;">●</span> 00510000982006	51000098	RE	01/23/2006			154.00 -	USD	7000000104	
<input checked="" type="checkbox"/>	<span style="color: green;">●</span> 00510000992006	51000099	RE	01/23/2006			154.00 -	USD	7000000104	
<input checked="" type="checkbox"/>	<span style="color: green;">●</span> 00510001002006	51000100	RE	01/23/2006			44.00 -	USD	7000000104	
<input checked="" type="checkbox"/>	<span style="color: green;">●</span> 70000001042006	7000000104	ZP	06/26/2006			462.00	USD	7000000104	
<input checked="" type="checkbox"/>	<span style="color: green;">●</span> *						0.00	USD		
** Account 100000285							0.00	USD		

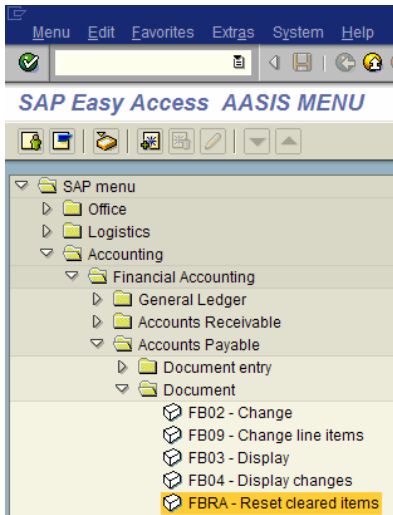
Change the layout selection to display the clearing document and make note of the clearing document number.

## Accounts Payable Basics—Logistics Invoice Verification Process

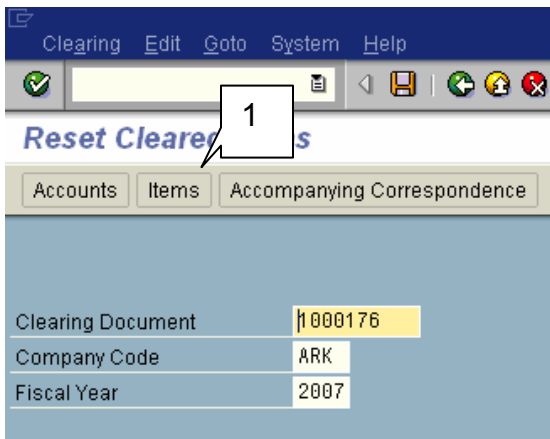
### Chapter 16 Canceling a Logistics Invoice

#### Can I Re-open the Cleared Item?

You can re-open the cleared item with transaction FBRA.



1. Enter the document number, company code ARK and the document fiscal year. Click the Items button.



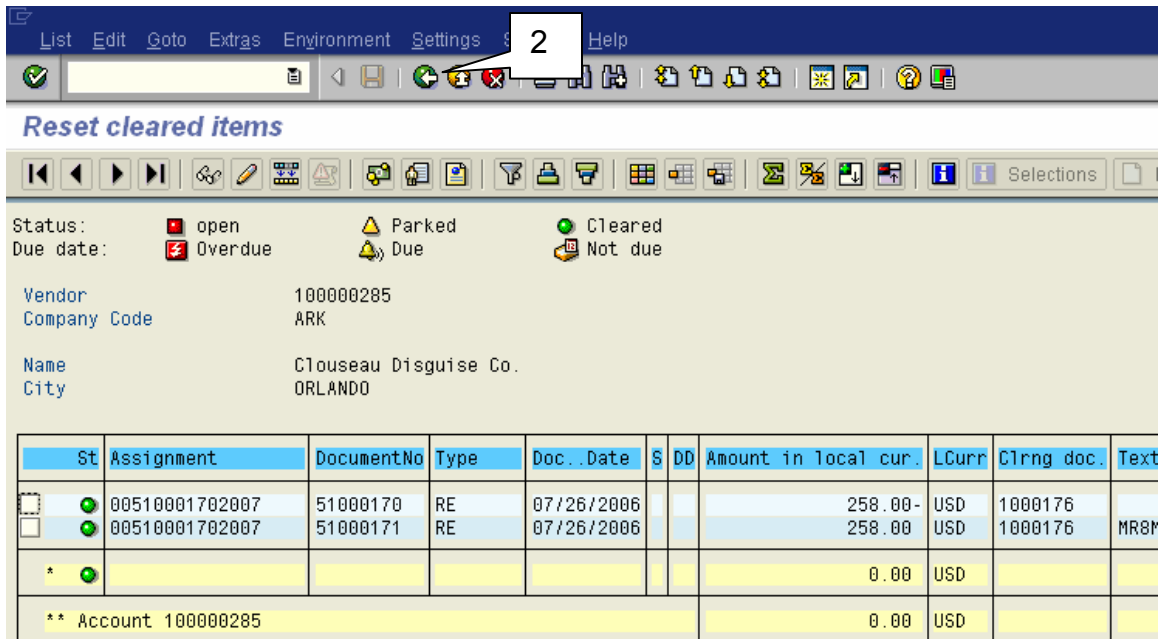
AASIS displays the document. Be sure that this is the correct document that you want to reverse.

Note: You may see a message: "document has no line items". If that happens, you can view it in the Special Purpose Ledger.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 16 Canceling a Logistics Invoice

2. Click the Back button.



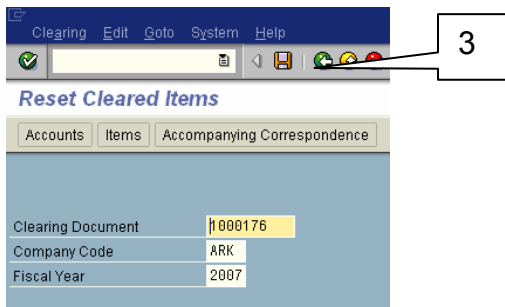
**Reset cleared items**

Status: ☒ open ☒ Parked ☒ Cleared  
 Due date: ☒ Overdue ☒ Due ☒ Not due

Vendor: 100000285  
 Company Code: ARK  
 Name: Clouseau Disguise Co.  
 City: ORLANDO

St	Assignment	DocumentNo	Type	Doc. Date	S	DD	Amount in local cur.	LCurr	Clrng doc.	Text
	<input checked="" type="checkbox"/> 00510001702007	51000170	RE	07/26/2006			258.00-	USD	1000176	
	<input checked="" type="checkbox"/> 00510001702007	51000171	RE	07/26/2006			258.00	USD	1000176	MR0P
	<input checked="" type="checkbox"/> *						0.00	USD		
** Account 100000285							0.00	USD		

3. Click the Save button.

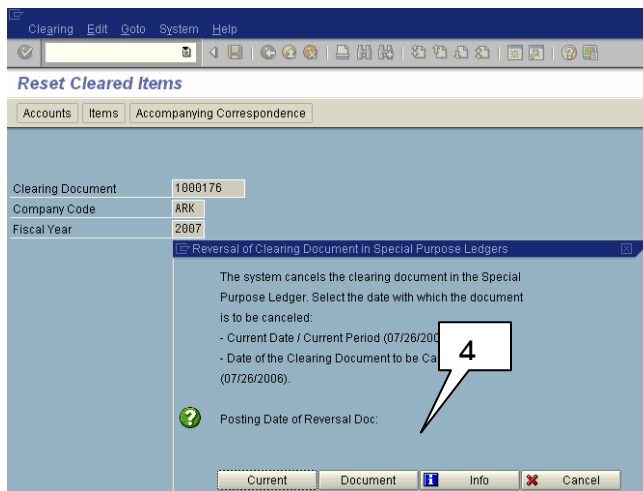


**Reset Cleared Items**

Accounts Items Accompanying Correspondence

Clearing Document: 1000176  
 Company Code: ARK  
 Fiscal Year: 2007

4. Click Current date.



**Reversal of Clearing Document in Special Purpose Ledgers**

The system cancels the clearing document in the Special Purpose Ledger. Select the date with which the document is to be canceled:

- Current Date / Current Period (07/26/2006)
- Date of the Clearing Document to be Canceled (07/26/2006).

Posting Date of Reversal Doc:

Current Document Info Cancel

AASIS returns a message that the clearing document was reset.

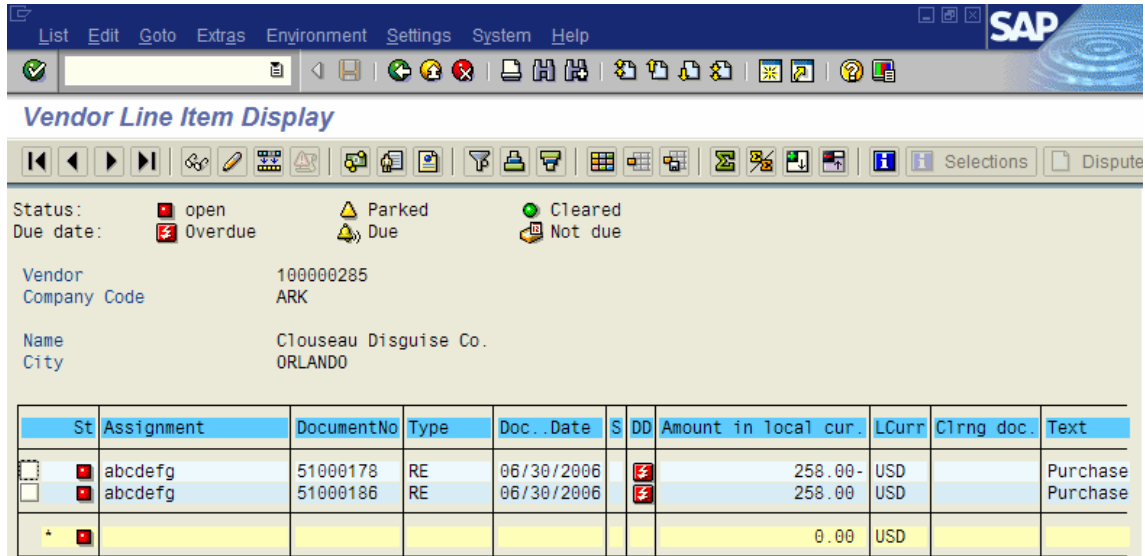


Clearing 1000176 reset

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 16 Canceling a Logistics Invoice

The FBL1N transaction reveals that the line is open once again.



The screenshot shows the SAP Vendor Line Item Display (FBL1N) interface. The title bar indicates the transaction is 'Vendor Line Item Display'. The status bar shows 'Status: open', 'Due date: Overdue', 'Parked', 'Due', 'Cleared', and 'Not due'. The vendor details are: Vendor 100000285, Company Code ARK, Name Clouseau Disguise Co., and City ORLANDO. The table below shows the open items.

St	Assignment	DocumentNo	Type	Doc. Date	S	DD	Amount in local cur.	LCurr	Clrng doc.	Text
	abcdefg	51000178	RE	06/30/2006			258.00	USD		Purchase
	abcdefg	51000186	RE	06/30/2006			258.00	USD		Purchase
							0.00	USD		

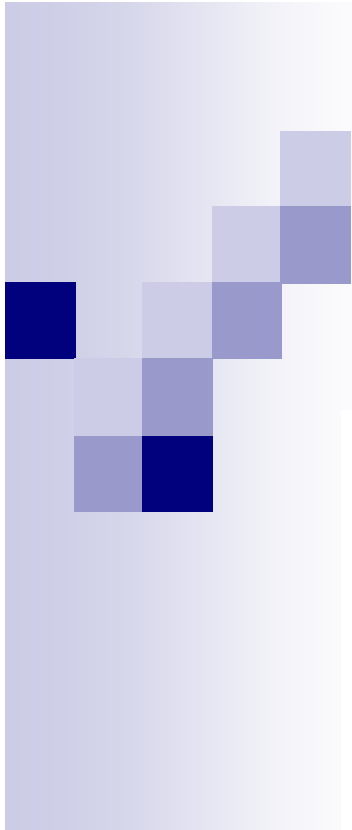
#### Exercise

Reverse your assigned invoice.

Display the vendor account with transaction FBL1N. Identify your reversed invoice in the open items.

Clear the vendor lines from your reversed invoice.

Display the vendor in FBL1N again and verify that the items were cleared.



# **Accounts Payable Basics – Logistics Invoice Verification Process**

Chapter 17  
Held and Parked  
Documents



**Accounts Payable Basics—Logistics Invoice Verification Process**  
**Chapter 17 Held and Parked Documents**

**What Is a Held Document?**

You may get an interruption as you are processing a MIRO transaction. At that point you can put the document on hold and come back and finish it later.

**How Do I Hold a Logistics Invoice?**

You are entering this invoice, hoping that you'll be able to get it posted before a scheduled meeting:

**Clouseau Desguise Co.**  
**22 Costume Ave.**  
**Orlando, FL 32837**



**`INVOICE**

**Invoice Number: 55**

**Your Purchase Order: 4500001022**

**Invoice Date: 8/30/2006**

<b>3 False Nose and Glasses sets @19.95 ea.....</b>	<b>\$59.85</b>
<b>Sales Tax.....</b>	<b>4.49</b>
<b>Total.....</b>	<b>\$64.34</b>

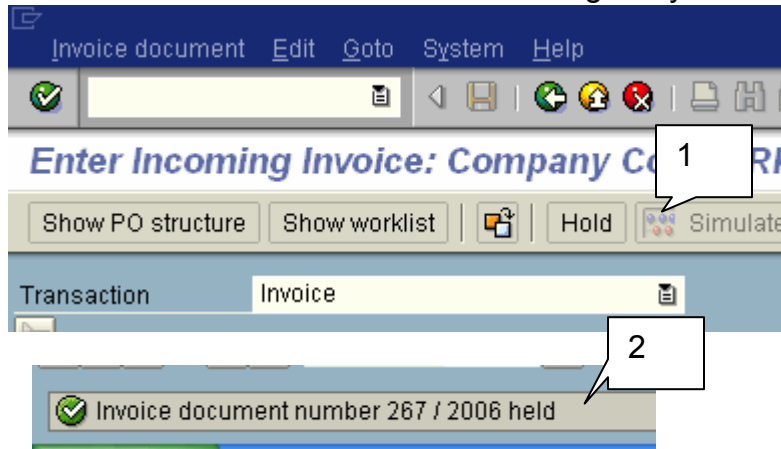
You filled out the basic data tab and clicked the hold button. AASIS will not let you put the document on hold until you put the business area on the detail tab. You fill out the required information and click hold.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 17 Held and Parked Documents

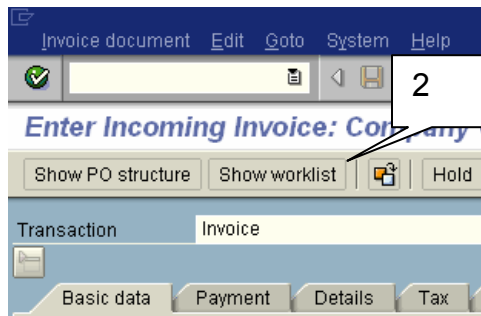
To hold a MIRO:

1. Click the Hold button at some time during the MIRO entry process.
2. Write down the number that AASIS gives you for a held document.

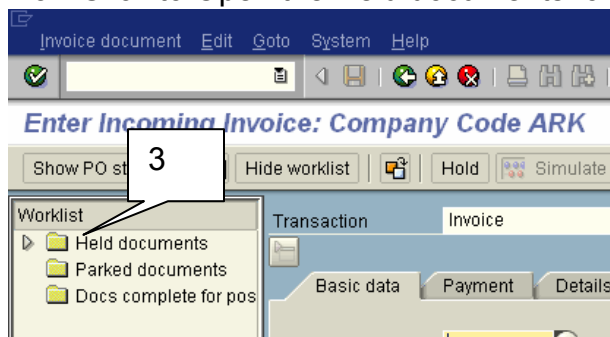


#### How Do I Retrieve a Held Document?

1. Enter transaction MIRO.
2. Click the Show Worklist button.



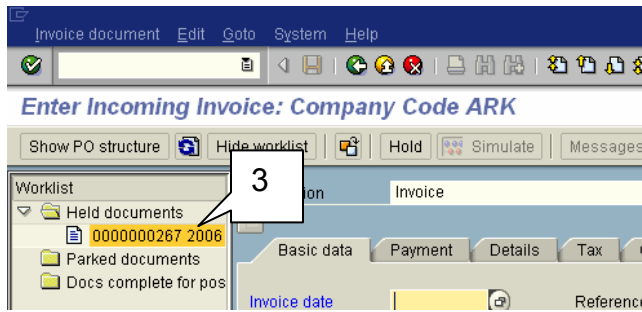
3. Click to Open the Held documents folder.



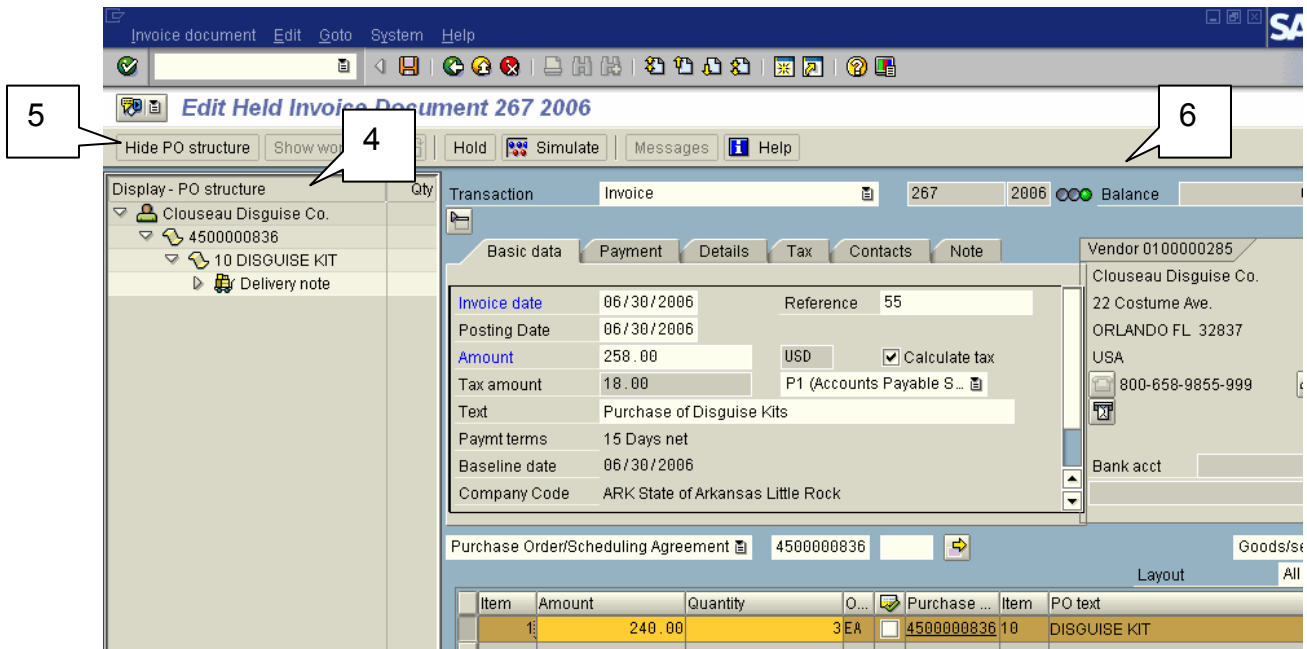
## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 17 Held and Parked Documents

Double-click the number of the held document that you want to complete.



4. The worklist will change to a display of the PO structure and the held document will be copied into the MIRO.
5. You can click the button to hide the PO structure if desired.
6. Complete the MIRO and post as usual.



Exercise: Put your assigned invoice document on hold after entering the Business Area on the details tab. Go back to the MIRO transaction and post the document.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 17 Held and Parked Documents

#### How Do I Park a Logistics Invoice?

Your agency has received this invoice for payment. The internal controls of the agency require that one person parks the invoice and another person posts it. (This is not a State of Arkansas requirement for Logistics invoicing.)

**Junk Food Junkie's**  
**10 Doughnut Loop**  
**Little Rock, AR 72207**  
**INVOICE**

**Invoice Number: 775**  
**Your Purchase Order: 4500001023**  
**Invoice Date: 8/23/2006**



<b>100 cases Cheez Doodles for Resale.....</b>	<b>\$350.00</b>
<b>Sales Tax.....</b>	<b>0.00</b>
<b>Total.....</b>	<b>\$350.00</b>

Use transaction MIR7 to park the invoice with the following steps:

Make entries to the fields as you would a MIRO, following the steps in chapter 5, 7, or 8 depending on the tax code.

The screenshot shows the SAP 'Park Incoming Invoice' interface for Company Code ARK. The 'Transaction' field is set to 'Invoice'. The 'Balance' is 0.00 USD. The 'Basic data' tab is active, showing fields for Invoice date (08/10/2006), Posting Date (08/10/2006), Amount (350.00), Tax amount (0.00), Text (Invoice #775 Cheez Doodles), Payment terms (Due immediately), Baseline date (08/10/2006), and Company Code (ARK State of Arkansas Little Rock). The 'Vendor' field is 0100000146, with details for Junk Food Junkie's, 10 Doughnut Loop, Little Rock AR 72207, USA, and phone numbers 888-665-0158-154 and 888-665-1258. The 'Bank acct' is 66558877, and the bank is Nouveau Riche Bank of Arkansas. The 'Purchase Order/Scheduling Agreement' is 4500001023. The 'Goods/service items' table at the bottom shows one item: Cheez Doodles, with an amount of 350.00, quantity of 100 CS, and PO text 4500001023 10.

When you have completed your entries, click Simulate to view the document. Click the Save parked document button to park the document.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 17 Held and Parked Documents

Click **Save as completed** to change the budget commitment from purchase order to invoice, or to commit any additional budget from shipping costs, etc.

Note: If you save as completed, you must post the document in the same accounting period as you parked it.

[illegible]

AASIS will return the parked document number.

Document number 268 has been parked

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 17 Held and Parked Documents

#### How Can I Search for Parked Documents?

Use the following steps in the MIR6 transaction:

1. Narrow down the selection by making entries in the top of the screen.

The screenshot shows the 'Invoice overview - selection criteria' window. It contains a table with selection criteria. A callout box labeled '1' points to the right-hand side of the table, where arrows indicate the selection criteria are applied.

Field	Value	to	Value
Document Number		to	
Fiscal Year	2006	to	
Proc. by	CSVOLLMAN	to	
Invoicing Party		to	
Company Code	ARK	to	
Document Date	06/01/06	to	06/30/06
Posting Date		to	
Document Type		to	
Reference		to	
Document Header Text		to	

2. Click the Held/Parked box in the Entry Type field.

The screenshot shows the 'Entry Type' dialog box. It contains a list of checkboxes. A callout box labeled '2' points to the 'Held/Parked' checkbox, which is checked.

Entry Type
<input checked="" type="checkbox"/> Background
<input type="checkbox"/> Invoices Verified Online
<input type="checkbox"/> EDI
<input type="checkbox"/> BAPI
<input type="checkbox"/> ERS
<input type="checkbox"/> Invoicing Plan
<input type="checkbox"/> Cancellation
<input type="checkbox"/> Revaluation
<input checked="" type="checkbox"/> Held/Parked

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 17 Held and Parked Documents

When you clicked the Held/Parked checkbox, the fields Held, Parked and Parked as Complete became available in the Invoice Status box.

3. Check these boxes as desired according to which type of document you want to view. You can check more than one box.

Invoice status

- ☒ Background verif. released
- ☒ Incorrect
- ☒ Posted (Not Completed)
- ☒ Posted
- ☒ Held
- ☒ Parked
- ☒ Parked as Complete

4. Click the Execute button.

Selections Edit Goto System Help

Invoice overview - selection criteria

Document Header Text

AASIS displays a list according to your specifications.

5. Double-click the document number to see more.

Invoice Overview: Invoice Documents

Doc. no.	It...	M	V...	Aggregation	Qt...	U...	F...	Invoicing p...	Name of invoicing party	P	Csh dis.dte	Crcy	Gross amount
268								100000146	Junk Food Junkie's		W06/30/2006	USD	350.00

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 17 Held and Parked Documents

AASIS displays the document.

6. You can post the document from here by clicking on the Post button.

Invoice document   Edit   Goto   System   Help

**Change Parked Invoice Document 268 2006**

Show PO structure   Simulate   Save as completed   **Post**   Messages   Help

Transaction   Invoice   268   2006   Balance   0.00   USD

Basic data   Payment   Details   Tax   Contacts   Note

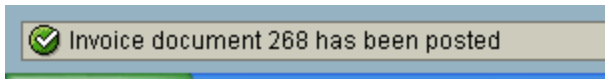
Invoice date   06/30/2006   Reference   775  
Posting Date   06/30/2006  
Amount   350.00   USD   ☐ Calculate tax  
Tax amount     
Text   Food for Resale  
Paymt terms   Due immediately  
Baseline date   06/30/2006  
Company Code   ARK State of Arkansas Little Rock

Vendor 0100000146  
Junk Food Junkie's  
10 Doughnut Loop  
LITTLE ROCK AR 72207  
USA  
888-665-0158-154   888-665-1258  
Bank acct   66558877  
Nouveau Riche Bank of Arkansas

Purchase Order/Scheduling Agreement   4500000837   Goods/service items

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	350.00	100 CS	<input type="checkbox"/>	4500000837	10	Cheez Doodles	PO (Account

After posting the document, AASIS returns a document number. Note that this number is the same as the parked document number.



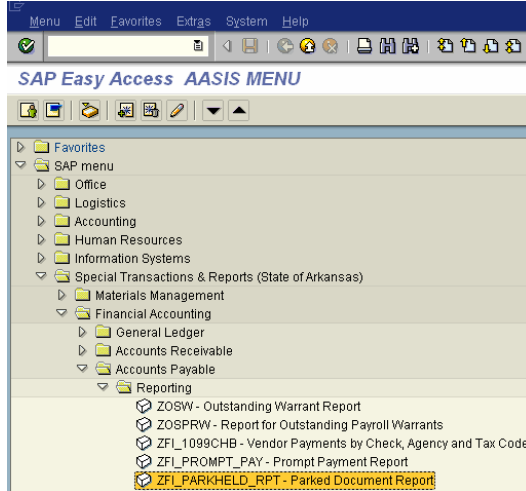
Another way to search for parked documents is to run the ZFI\_PARKHELD\_RPT transaction.



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 17 Held and Parked Documents

#### Program For Parked Vendor Invoices ZFI\_PARKHELD\_RPT



This report will display Parked Vendor Invoices.

#### Selecting the Report

1. Narrow your search. In this example we entered “ARK” in the “Company code” field.
2. Enter your business area.
3. Enter the fiscal year.
4. Document types for invoices are KR for direct and RE for MIRO. Make an entry here or leave this field blank to bring up both types.

Scroll down to continue.

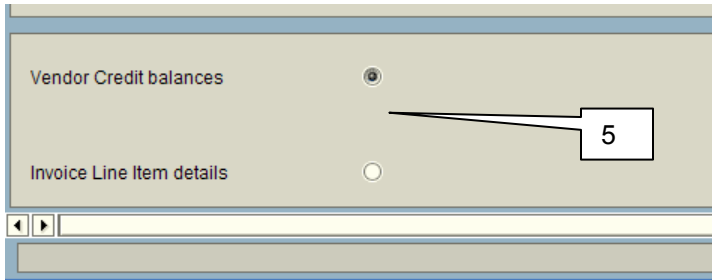
The screenshot shows the 'Report program for parked Vendor invoices' form. The form has a title bar with 'Program Edit Goto System Help' and a toolbar. The main area is titled 'PARKED DOCUMENTS REPORT'. It contains several input fields with callouts: 1. 'Company code' field with 'ARK' entered. 2. 'Business area' field with '0610' entered. 3. 'Fiscal year' field with '2006' entered. 4. 'Document type' field, which is currently blank. Other fields include 'Accounting document number', 'Reference document number', 'Document status', 'Document date', 'Posting date', 'Entered by', 'Entry date', and 'Entry time'. The 'Entry time' field shows '00:00:00'.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 17 Held and Parked Documents

5. “Vendor Credit balances” will default. Leave as is.

Click the Execute button to continue.



### Viewing the Report

This example shows that there are parked documents. It shows the user name, date and time entered, document number, and Ref. Doc. Number. The posting key “31” = Credit to the vendor and the posting key “40” = Debit to the expense. “H” stands for credit and “S” stands for debit.

The business area, fund, and funds center are displayed.

Scroll to the right to continue.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 17 Held and Parked Documents

You can view the amount, cost center, Internal Order or WBS element number, Sp. G/L assignment, vendor number and vendor name.

ListEditGotoViewsSettingsSystemHelp

## Exercise

Park a document for the assigned parked document invoice.

Find your document and post it.



# **Accounts Payable Basics – Logistics Invoice Verification Process**

Chapter 18  
Credit Memos and  
Subsequent Debits and  
Credits

## **Accounts Payable Basics—Logistics Invoice Process**

### **Chapter 18 Credit Memos and Subsequent Debits and Credits**

#### **What Is a Credit Memo?**

A credit memo is a document received from a vendor giving you credit for goods returned. Note that the Credit Memo affects both **quantity** and **value**. If you post a credit memo, you will need to cancel or return delivery on the corresponding goods receipt to insure that the GR/IR and the expense or asset values post correctly.

If you only want to change the amount paid to a vendor—you do not want to affect the quantity of goods received—do not post a credit memo. See the subsequent debit and credit sections.

If you receive money instead of credit from the vendor—do not post a credit memo. Treat this as a refund to expenditures.

#### **What Is the Effect of a Credit Memo?**

Posting a credit memo affects financial reports, budget, and cash available for future expenditures or transfers.

- The credit memo posts as a credit (reduction) to expense, which decreases expenses on the financial reports; if the item is a Fixed Asset, the value of the asset is reduced.
- The credit to expense/Fixed Asset value posts as a reduction in commitments in FM, which increases budget available for other transactions.
- The credit memo also posts a debit to the vendor account, which decreases liabilities on the financial reports.
- The credit memo reduces a future payment to the vendor, which leaves the cash available to be used for other transactions.

The process is not complete unless the expense/Fixed Asset value and liabilities have been reduced; the budget has been reinstated; and a future payment to the vendor has been reduced. It is important to have all of these events occur or the expenses, budget and cash will not reconcile properly for cash basis reporting.

## **Accounts Payable Basics—Logistics Invoice Process**

### **Chapter 18 Credit Memos and Subsequent Debits and Credits**

#### **How Do I Enter a Credit Memo for an Expense?**

If the credit memo is for an invoice originally entered by direct payment, you'll use transaction FB65, covered in the Accounts Payable Direct Invoicing Course. Use transaction MIRO to enter a credit memo against a purchase order.

Credit memos should be posted using transaction MIRO IF:

1. The original invoice for the goods or services **was** associated with a Purchase Order.
2. You have received a credit from the vendor and need to reduce a future payment.
3. Some or all of the goods received are being returned to the vendor.

#### **Before Beginning the Credit Memo Process**

Before you enter a credit memo, you must make sure that you have an invoice in the system to offset the credit memo against.

In order to post a Credit Memo with MIRO, there must already exist at least one open vendor invoice - **posted**, but **not yet paid** - to the same Vendor, Fund, Funds Center, Commitment Item and Functional Area as the credit memo; the dollar amount of the existing invoice(s) must be equal to or greater than the dollar amount of the credit memo, by budget quad combination. The GL account need not be the same on both documents, but the commitment item must match.

The user must populate the Invoice Reference field with the document number of an appropriate open vendor invoice - **posted**, but **not yet paid** - parked documents will not work. The unpaid invoice can be either a Direct Pay invoice or a Logistics (MIRO) invoice as long as the invoice matches the credit memo on Vendor, Fund, Funds Center, Commitment Item and Functional Area. If there are no open invoices matching the credit memo, or if the dollar amount of the invoice(s) do not meet or exceed the dollar amount of the credit memo, the credit memo will not post and users will receive the following error message:

"Insufficient open items to same Fund/Funds Center/Commitment Item to offset credit memo."

Several reports exist in AASIS to help you locate an outstanding invoice. FBL1N selected for the vendor displays open items for that vendor. If an open invoice is not available, you may be able to locate an open goods receipt which hasn't yet had an invoice entered with transaction ZPO\_OPEN\_INV.

## Accounts Payable Basics—Logistics Invoice Process

### Chapter 18 Credit Memos and Subsequent Debits and Credits

#### Entering the Credit Memo



1. Change the transaction field to credit memo.
2. Enter a document date, reference number, and amount.
3. The tax code must match the code on the original invoice and purchase order.
4. Enter the purchase order number for which the credit memo is being entered. This should be the original purchase order unless the purchase order is from a prior fiscal year and was not carried forward. The function of this field is to populate the line items from the original PO that had the goods returned. Referencing the PO will populate the Vendor, expense or asset account, Fund, Funds Center, Commitment Item and other information from the original PO. The user selects the line items and verifies the quantities on the PO that will be reduced by the credit memo.
5. Make changes to the quantity and amount as needed to reflect the quantity and amount of the credit memo.

The screenshot shows the 'Enter Incoming Invoice' form for Company Code ARK. The form is titled 'Enter Incoming Invoice: Company Code ARK'. The 'Transaction' field is set to 'Credit memo'. The 'Document date' is 08/14/2006, 'Posting Date' is 08/14/2006, and 'Amount' is 21.48. The 'Reference' field is 550. The 'Tax amount' is 1.50. The 'Text' field is empty. The 'Paymt terms' are 15 Days net. The 'Baseline date' is 08/14/2006. The 'Company Code' is ARK State of Arkansas Little Rock. The 'Purchase Order/Scheduling Agreement' field is 4500001022. The 'Item' field is 1. The 'Amount' field is 19.98. The 'Quantity' field is 1. The 'O...' field is EA. The 'Purcha' field is 4500001022.10. The 'PO text' field is DISGUISE KIT.

Numbered callouts indicate the following fields:

- 1: Transaction field (Credit memo)
- 2: Document date, Posting Date, and Amount fields
- 3: Tax amount and Tax code fields
- 4: Purchase Order/Scheduling Agreement field
- 5: Item, Amount, and Quantity fields

## Accounts Payable Basics—Logistics Invoice Process

### Chapter 18 Credit Memos and Subsequent Debits and Credits

6. Click the Details tab.
7. Enter the business area and assignment number.

Invoice document Edit Goto System Help

Enter Incoming Invoice: Company Code ARK

Show PO structure Show worklist Hold Simulate Messages Help

Transaction Credit memo Balance 0.00

Basic data Payment Details Tax Contacts Note

Unpl. Del. Csts  
Currency USD Exch. Rate 1.00000  
Doc. Type Invoice receipt Inv. Party 100000285  
Bus. Area 0710  
Assignment 269 G/L 2110001000  
Header Text  
Plg level AP Planning Day 08/14/2006

Vendor 0100000285  
Clouseau Disguise Co.  
22 Costume Ave.  
ORLANDO FL 32837  
USA  
800-658-9855-999

Purchase Order/Scheduling Agreement 4500001022

Item	Amount	Quantity	O...	Purchase ...	Item	PO text
1	19.98	1 EA		4500001022.10		DISGUISE KIT

8. Click the Payment tab.
9. Enter the payment method.
10. Enter the house bank code.
11. In the Invoice reference field, enter the number of an open invoice for the vendor from the same fund, funds center, and commitment item combination.
12. Click Simulate to view the posting.

Invoice document Edit Goto System Help

Enter Incoming Invoice: Company Code ARK

Show PO structure Show worklist Hold Simulate Messages Help

Transaction Credit memo Balance 0.00

Basic data Payment Details Tax Contacts Note

BaselineDt 08/14/2006 Prmt terms NT15 15 Days  
Due on 08/14/2006 Days  
Discount USD Days net  
Fixed  
Prmt Method W Prmt Meth. Sup. Prmt block Free for payment  
House bank TREAS  
Payment Ref.  
Inv.ref.

Vendor 0100000285  
Clouseau Disguise Co.  
22 Costume Ave.  
ORLANDO FL 32837  
USA  
800-658-9855-999

Purchase Order/Scheduling Agreement 4500001022

Item	Amount	Quantity	O...	Purchase ...	Item	PO text
1	19.98	1 EA		4500001022.10		DISGUISE KIT



## Accounts Payable Basics—Logistics Invoice Process

### Chapter 18 Credit Memos and Subsequent Debits and Credits

13. View the posting. When you are satisfied that the posting is correct, click the Post button.

Position	A/G/L	Acc/mat/asset/vend	Amount	Cu...	Purchasin...	Item	T...	Jurisdic. Code	Tax date	Bu...	Cost C
1	K2110001000	Clouseau Disguise C...	21.48	USD			P1			0710	
2	S2111001000	Goods Receipt/Invoic...	21.45	USD	4500001022	10	P1	0411903201		0710	41660
3	S5090020000	02 - Clothing & Relate...	0.03	USD	4500001022	10	P1	0411903201		0710	41660

Debit 21.48      13      48      Bal. 0.00  
 Back    Post

Document no. 271 created

#### More Notes on Credit Memos

The Invoice Reference is necessary to ensure that the credit memo has the same baseline date and payment terms as the unpaid invoice. This will ensure that the credit memo and invoice net against each other in the same payment run and properly reduce the payment to the vendor. If the credit memo and invoice do not have the same payment terms and baseline date, they will be considered in different payment runs and will not net properly.

Finally, if there are multiple open invoices that match the credit memo vendor and budget quad fields, the credit memo will not clear in the payment run if it does not properly reference one of the invoices; AASIS will not choose which invoice to net the credit memo against and will leave it open, which means the vendor will be overpaid.

The invoice number in the **Invoice Reference** field, if it is a MIRO invoice, might be associated with a different PO than the one referenced in the **Purchase Order/Scheduling Agreement** field. The POs can be different because these fields serve different purposes in the credit memo.

The function of the **Invoice Reference** is to set the Payment Terms and Baseline Date on the credit memo, and to determine an invoice to clear against in the event there are several available in the designated payment run.

The function of the **Purchase Order/Scheduling Agreement** field is to populate the line items and vendor information in the credit memo.

## **Accounts Payable Basics—Logistics Invoice Process**

### **Chapter 18 Credit Memos and Subsequent Debits and Credits**

One other field that must match in order for the credit memo to clear properly in the payment run is the Payment Method. If the invoice Payment Method is W (Warrant) and the credit memo Payment Method is A (ACH), the two cannot net in the payment program. Payment Method fields that do not match will not prevent a user from posting a credit memo, but it will prevent proper clearing.

YOUR AGENCY MUST FOLLOW A CREDIT MEMO WITH A RETURN DELIVERY OR GOODS RECEIPT CANCELLATION TO REDUCE THE QUANTITY RECEIVED.

#### **What If We Don't Have an Invoice that Matches the Credit Memo?**

If you cannot post a credit memo, either because there are insufficient open items or because an asset from a prior fiscal year is involved, request a refund from the vendor. The refund check should be deposited as a Refund to Expenditure and the rest of the Refund to Expenditure process followed to adjust the appropriate expenses. If the Refund to Expenditure is for an asset, you should verify that the asset balance has been properly adjusted after all documents are posted. Credit memos for assets will be covered in detail later in this course.

#### **What If I Need to Reverse the Credit Memo?**

MIRO credit memos should be reversed if there is an error on the document and the whole thing needs to be re-entered. Use transaction MR8M for reversals, but be aware that the document description is still "Credit Memo".

Exercise 1: Find an open invoice to offset your credit memo and enter the assigned credit memo for an expense.

#### **When Do I Use Subsequent Credit?**

Subsequent Credits should be posted using transaction MIRO IF:

1. The original invoice for the goods or services **was** associated with a Purchase Order.
2. You have received a credit from the vendor and need to reduce a future payment. (If you receive a refund check from the vendor, process the reimbursement as a Refund to Expenditure rather than a subsequent credit.)
3. There should be **no change** to the quantity received and/or quantity invoiced.

In order to post a subsequent credit with MIRO, there must already exist at least one open vendor invoice - **posted**, but **not yet paid** - to the same Vendor, Fund, Funds Center, Commitment Item and Functional Area as the subsequent credit; the dollar amount of the existing invoice(s) must be equal to or greater than the dollar amount of the subsequent credit, by budget quad combination. The GL account need not be the same on both documents, but the commitment item must match.

## Accounts Payable Basics—Logistics Invoice Process

### Chapter 18 Credit Memos and Subsequent Debits and Credits

#### How Do I Enter a Subsequent Credit for an Expense?

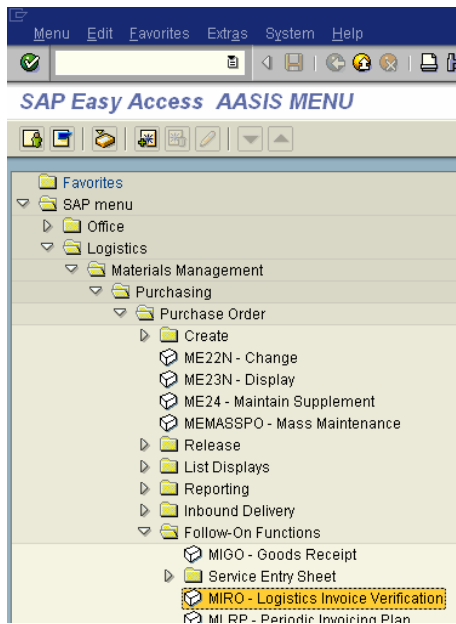
Before beginning the MIRO process, locate an invoice to use to offset the credit.

You must populate the Invoice Reference field with the document number of an appropriate open vendor invoice - **posted**, but **not yet paid** - parked documents will not work. The unpaid invoice can be either a Direct Pay invoice or a Logistics (MIRO) invoice as long as the invoice matches the subsequent credit on Vendor, Fund, Funds Center, Commitment Item and Functional Area. If there are no open invoices matching the subsequent credit, or if the dollar amount of the invoice(s) do not meet or exceed the dollar amount of the subsequent credit, it will not post and you will receive the following error message:

“Insufficient open items to same Fund/Funds Center/Commitment Item to offset credit memo.”

The best way to locate an offsetting invoice is with transaction ZPO\_OPEN\_INV as discussed in Chapter 4.

Use the MIRO transaction to enter the subsequent credit.



## Accounts Payable Basics—Logistics Invoice Process

### Chapter 18 Credit Memos and Subsequent Debits and Credits

1. Change Transaction to Subsequent credit.
2. On the Basic data tab, enter the date in the Document date field.
3. Enter the related invoice in the reference field:
4. Enter the amount of the credit in the Amount field.
5. If the item is tax relevant, choose the appropriate tax code and select calculate tax.
6. Enter text as desired.
7. Enter the purchase order number.
8. Enter the amount of the credit in the amount field on the item line.
9. Click the Details tab to continue.

**Enter Incoming Invoice: Company Code ARK**

Trans: Subsequent credit

Balance: 0.00 USD

Vendor: 0100000146  
Junk Food Junkie's  
100 Doughnut Loop  
LITTLE ROCK AR 72207  
USA  
888-665-0158-154 888-665-1258

Bank acct: 66558877  
Nouveau Riche Bank of Arkansas

Document date: 08/14/2006  
Posting Date: 08/14/2006  
Amount: 100.00 USD  
Tax amount: 0.00  
Text: subsequent credit  
Paymt terms: Due immediately  
Baseline date: 08/14/2006  
Company Code: ARK State of Arkansas Little Rock

Purchase Order/Scheduling Agreement: 4500001023

Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
100.00	100 CS		4500001023 10	Cheez Doodles		PO (Account

## Accounts Payable Basics—Logistics Invoice Process

### Chapter 18 Credit Memos and Subsequent Debits and Credits

10. Enter the business area.
11. Make entries in the Assignment field and Header Text fields as desired.
12. Click the Payment tab to continue.

The screenshot displays the 'Enter Incoming Invoice' window for Company Code ARK. The interface includes a menu bar (Invoice document, Edit, Goto, System, Help) and a toolbar with icons for saving, printing, and other functions. The main area is divided into several sections:

- Transaction:** Subsequent credit
- Balance:** 0.00 USD
- Vendor:** 0100000146, Junk Food Junkie's, 10 Doughnut Loop, TLE ROCKAR 72207, A, 888-665-0158-154, 888-665-1258
- Bank acct:** 66558877, Nouveau Riche Bank of Arkansas
- Basic data:** Unpl. Del. Csts, Currency: USD, Exch. Rate: 1.00000, Doc. Type: Invoice receipt, Inv. Party: 100000146, Bus. Area: 0710, Assignment: 775, G/L: 2110001000, Header Text, Plg level: AP, Planning Day: 08/14/2006
- Payment tab:** Highlighted with callout box 12.
- Assignment:** 775 (highlighted with callout box 11).
- Header Text:** (highlighted with callout box 11).
- Goods/service items:** Table with columns: Item, Amount, Quantity, O..., Purchase..., Item, PO text, Tax code. Row 1: 100.00, 100 CS, 4500001023, 10, Cheez Doodles, PO (Account).

Callout boxes indicate the following actions:

- 10: Enter the business area (0710).
- 11: Make entries in the Assignment field and Header Text fields as desired.
- 12: Click the Payment tab to continue.

## Accounts Payable Basics—Logistics Invoice Process

### Chapter 18 Credit Memos and Subsequent Debits and Credits

13. Enter the payment method:

Look at the payment method for the offsetting invoice. Put the same payment method here. If the invoice Payment Method is W (Warrant) and the subsequent credit Payment Method is A (ACH), the two cannot net in the payment program. Payment Method fields that do not match will not prevent a user from posting a subsequent credit, but it will prevent proper clearing.

14. Enter the house bank.

15. Enter the MM number of the offsetting open invoice in the Invoice reference field.

16. Press the Enter key. AASIS will enter the fiscal year and return the message “Data was copied”.

17. Click the Simulate button.

The screenshot shows the 'Enter Incoming Invoice' window for Company Code ARK. The 'Transaction' type is 'Subsequent credit'. The 'Simulate' button is highlighted with callout 17. The 'Basic data' tab is active, showing fields for 'BaselineDt' (08/14/2006), 'Due on' (08/14/2006), 'Amount' (100.00 USD), 'Pmnt Method' (W), 'Pmnt Meth. Sup.' ( ), 'Pmnt block' ( ), 'Fixed' ( ), 'Free for payment' ( ), 'Inv.ref.' (270), and '2007'. The 'House bank' field is set to 'TREAS' with callout 14. The 'Payment Ref.' field is empty. The 'Vendor' information on the right includes 'Vendor 0100000146', 'Junk Food Junkie's', '10 Doughnut Loop', 'LITTLE ROCK AR 72207', 'USA', and phone numbers '888-665-0158-154' and '888-665-1258'. The 'acct' field is '66558877' and the bank is 'Bau Riche Bank of Arkansas'. The 'Order/Scheduling Agreement' field contains '4500001023' with callout 15. The 'Goods/service items' table at the bottom has one item: '1' with 'Amount' 100.00, 'Quantity' 100 CS, 'Purchase ...' 4500001023, 'Item' 10, 'PO text' Cheez Doodles, and 'Tax code' P0 (Account). A status bar at the bottom shows 'Data was copied' with callout 16 and 'ETR (1) (5'.

## Accounts Payable Basics—Logistics Invoice Process

### Chapter 18 Credit Memos and Subsequent Debits and Credits

The simulation will show a credit to the vendor account and debit to the expense account. (The expense account code is derived from the purchase order that you entered in step 7.)

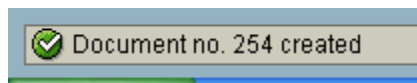
18. Verify that the posting is correct and click the Post button.

Position	A/G/L	Acc/mat/asset/vend	Amount	Cu...	Purchasin...	Item	T...	Jurisdict. Code	Tax date	Bu...	Cost C
1 K	2110001000	Junk Food Junkie's / L...	100.00	USD			P0			0610	
3 S	5090001000	Food Purchases	100.00	USD	4500000832	10	P0	0411903201		0610	38320

Debit: 100.00      Credit: 100.00      Bal.: 0.00

Back   Post   18

AASIS returns a document number for the subsequent credit.



### Tips for Subsequent Credit Entries

You must make an entry in the invoice reference field on the payment tab. If you don't you won't be able to post a document and the message will say "unspecified error".

The Invoice Reference is necessary to ensure that the subsequent credit has the same baseline date and payment terms as the unpaid invoice. This will ensure that the subsequent credit and invoice net against each other in the same payment run and properly reduce the payment to the vendor. If the subsequent credit and invoice do not have the same payment terms and baseline date, they will be considered in different payment runs and will not net properly.

## **Accounts Payable Basics—Logistics Invoice Process**

### **Chapter 18 Credit Memos and Subsequent Debits and Credits**

Finally, if there are multiple open invoices that match the subsequent credit vendor and budget quad fields, the subsequent credit will not clear in the payment run if it does not properly reference one of the invoices; AASIS will not choose which invoice to net the subsequent credit against and will leave it open, which means the vendor will be overpaid.

The invoice number in the **Invoice Reference** field, if it is a MIRO invoice, might be associated with a different PO than the one referenced in the **Purchase Order/Scheduling Agreement** field. The POs can be different because these fields serve different purposes in the subsequent credit.

The function of the **Invoice Reference** is to set the Payment Terms and Baseline Date on the subsequent credit, and to determine an invoice to clear against in the event there are several available in the designated payment run.

The function of the **Purchase Order/Scheduling Agreement** field is to populate the line items and vendor information in the subsequent credit.

When you display the posted MM document, it will be listed as a “credit memo” instead of a “subsequent credit” in the transaction field.

#### **Order Unit ZLS (Lump Sum)**

If the PO line item has an order unit of ZLS, DO NOT POST a subsequent credit—post a credit memo instead.

Subsequent credit for fixed assets is covered in detail later in this chapter.

Exercise 2 Enter the assigned subsequent credit for an expense.



## Accounts Payable Basics—Logistics Invoice Process

### Chapter 18 Credit Memos and Subsequent Debits and Credits

#### What Is a Subsequent Debit?

Use a subsequent debit when you receive an additional invoice from a vendor because you were undercharged, increasing the total invoiced value, not the total invoiced quantity.

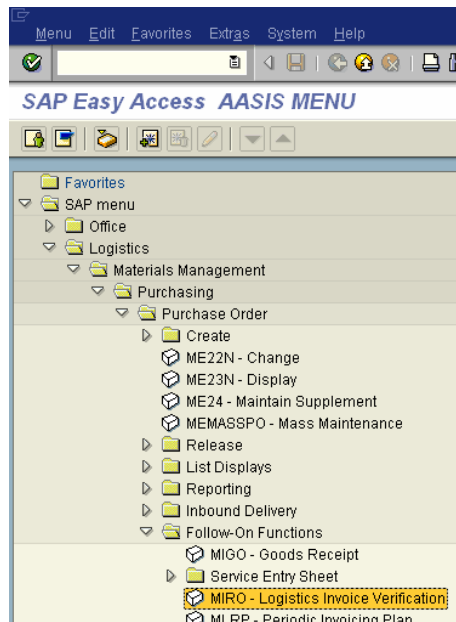
Subsequent Debits should be posted using transaction MIRO IF:

1. The original invoice for the goods or services **was** associated with a Purchase Order.
2. You have received an additional invoice from the vendor and need to increase a future payment.
3. There should be no change to the quantity received and/or quantity invoiced.

The process for a subsequent debit is the same as for a subsequent credit, except the vendor is receiving an increased payment rather than a reduced payment. You won't need an offsetting payable invoice.

#### How Do I Enter a Subsequent Debit for an Expense?

Use transaction MIRO to enter a subsequent debit.



## Accounts Payable Basics—Logistics Invoice Process

### Chapter 18 Credit Memos and Subsequent Debits and Credits

1. Change Transaction to Subsequent debit.
2. On the Basic data tab, enter the date in the Document date field.
3. Enter the related invoice in the reference field.
4. Enter the amount of the debit (including tax) in the Amount field.
5. If the item is tax relevant, choose the appropriate tax code and select calculate tax.
6. Enter text as desired.
7. Enter the purchase order number.
8. Enter the amount of the debit in the amount field on the item line.
9. Click the Details tab to continue.

The screenshot shows the 'Enter Incoming Invoice' window for Company Code ARK. The interface includes a menu bar (Invoice document, Edit, Goto, System, Help), a toolbar, and a main data entry area. Numbered callouts indicate the following steps:

- 1:** Transaction type set to 'Subsequent debit'.
- 2:** Invoice date set to 08/14/2006.
- 3:** Reference field set to 576839SD.
- 4:** Amount field set to 25.00.
- 5:** Tax code U1 (A/P Use Tax) selected, and the 'Calculate tax' checkbox is checked.
- 6:** Text field containing 'Additional Charge for Trench Coat'.
- 7:** Purchase Order/Scheduling Agreement field set to 4500001021.
- 8:** Amount field on the item line (line 1) set to 25.00.
- 9:** The 'Details' tab is selected.

Additional visible data includes: Vendor 0100000280 (Asta's), Posting Date 08/14/2006, Tax amount 0.00, Payment terms 15 Days net, and a table of goods/service items.

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	25.00		1 EA	4500001021	10	TRENCH COAT	U1 (A/P Use
2			2 EA	4500001021	20	CAMERA	111 (A/P Use

## Accounts Payable Basics—Logistics Invoice Process

### Chapter 18 Credit Memos and Subsequent Debits and Credits

10. Enter the business area.
11. Make entries in the Assignment field and Header Text fields as desired.
12. Click the Payment tab to continue.

**Enter Incoming Invoice: Company Code ARK**

Tr: Subsequent debit

Balance: 0.00 USD

Vendor 0100000280

Asta's  
78 N. Thinman Rd.  
EL PASO TX 79901  
USA  
877-897-5678-258 888-779-9989

Bank acct

Unpl. Del. Csts

Currency: USD Exch. Rate: 1.000

Doc. Type: Invoice receipt Inv. Party: 100000

Assignment: 00510001752007 Bus. Area: 0710

Header Text

Plg level: XA G/L: 2110001000

Planning Day: 08/29/2006

Order/Scheduling Agreement: 4500001021

Goods/service items

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	25.00	1 EA	4500001021	10	TRENCH COAT	U1 (A/P Us	
2		2 EA	4500001021	20	CAMERA	U1 (A/P Us	

**Accounts Payable Basics—Logistics Invoice Process**  
**Chapter 18 Credit Memos and Subsequent Debits and Credits**

13. Enter the payment method.
14. Enter the house bank.
15. Press the Enter key. AASIS will enter the fiscal year and return the message “Data was copied”.
16. Click the Simulate button.

The screenshot shows the 'Enter Incoming Invoice' screen for Company Code ARK. The interface includes a menu bar (Invoice document, Edit, Goto, System, Help) and a toolbar with icons for saving, printing, and other functions. The main area is divided into several sections:

- Transaction:** Subsequent debit
- Balance:** 0.00 USD
- Basic data:** Includes fields for BaselineDt (08/14/2006), Due on (08/29/2006), and Payment terms (NT15 15 Days).
- Payment:** Includes fields for Payment method (13), House bank (14), and Payment Ref.
- Details:** Includes fields for Vendor (0100000280), Vendor name (Asta's), and Vendor address (78 N. Thinman Rd., EL PASO TX 79901, USA).
- Contacts:** Includes fields for Phone (877-897-5678-258) and Fax (888-779-9989).
- Note:** Includes fields for Inv.ref. (265 2007) and Part. bank.
- Purchase Order/Scheduling Agreement:** Includes fields for Agreement number (4500001021) and Goods/service items.

Callout boxes indicate the following actions:

- 13: Enter the payment method.
- 14: Enter the house bank.
- 15: Press the Enter key. AASIS will enter the fiscal year and return the message “Data was copied”.
- 16: Click the Simulate button.

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	25.00	1	EA	4500001021	10	TRENCH COAT	U1 (A/P Us

ETR (1) (5)

## Accounts Payable Basics—Logistics Invoice Process

### Chapter 18 Credit Memos and Subsequent Debits and Credits

The simulation will show a credit to the vendor account and debit to the expense account. (The expense account code is derived from the purchase order that you entered in step 7.)

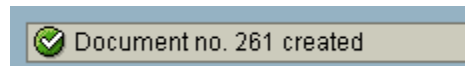
17. Verify that the posting is correct and click the Post button.

Position	A/G/L	Acc/mat/asset/vend	Amount	Cu...	Purchasin...	Item	T...	Jurisdic. Code	Tax date	Bu...	Cost C
1	K2110001000	Scaly Critters Reptile ...	4.30	USD			P1			0610	
3	S5030005000	02 - Building & Grou...	4.30	USD	4500000836	10	P1	0411903201		0610	38320

Debit 4.30      Credit 4.30      Bal. 0.00

Back   Post   X

AASIS returns a document number for the subsequent debit.



### Tips for Subsequent Debit Entries

You must make an entry in the invoice reference field on the payment tab. If you don't you won't be able to post a document and the message will say "unspecified error".

When you display the posted MM document, it will be listed as a "credit memo" instead of a "subsequent debit" in the transaction field.

### Order Unit ZLS (Lump Sum)

If the PO line item has an order unit of ZLS, DO NOT post a subsequent debit. The Purchasing and Goods Receipt staff should create a new line item (or change the quantity on the existing line item) and post a new Goods Receipt for the additional amount/quantity. Accounts Payable staff can then post a new MIRO Invoice.

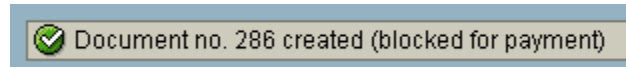
## Accounts Payable Basics—Logistics Invoice Process

### Chapter 18 Credit Memos and Subsequent Debits and Credits

Exercise 3: Enter the assigned subsequent debit for an expense.

#### Subsequent Debits and Document Blocks

If the subsequent debit is more than \$100 or 10% of the value of the amount of the original invoice, AASIS will block the document for payment. When the document is posted, AASIS will return a “blocked for payment” message.

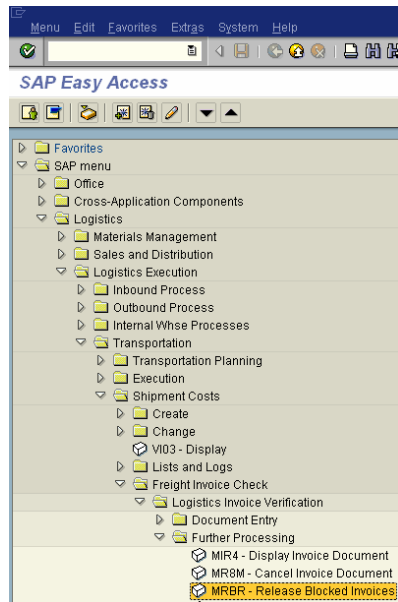


#### Can I Unblock the Document?

**In the case of a system block for quantity, you should never manually unblock the invoice.** Since quantity is not affected in the subsequent debit, the invoice can be manually unblocked.

#### How Do I Unblock the Document?

Use transaction MRBR to unblock the subsequent debit document.



## Accounts Payable Basics—Logistics Invoice Process

### Chapter 18 Credit Memos and Subsequent Debits and Credits

1. Enter the invoice number, or make entries to narrow down the search.
2. Click the Execute button.

**Release Blocked Invoices**

Selection of blocked invoices

Company code	ARK	to	
Invoice document	286	to	
Fiscal year	2006	to	
Vendor		to	
Posting date		to	
Due date		to	
Purchasing group		to	
User		to	

Processing

☒ Release manually ☐ Release automatically

☐ Move cash disc. date

Blocking procedure

☒ Blocked due to variances ☐ Manual payment block ☐ Stochastically blocked

Display options

Variant

3. AASIS will return a list of documents according to your specifications. Click on a document number to display it.

**Release Blocked Invoices**

Doc. n	Year	Crcy	TransIDate	Exchange rate	L. cur	T...	Posting Date	CoCd	Invoicing pty.	Name	User name	Bline c
286	2006	USD	06/30/2006	1.00000		RE	06/30/2006	ARK	100000162	OFFICE PRODUCTS	PNORR	06/30/

4. Verify that this is the document that you want to unblock.
5. Click the back button to return to MRBR.

**Display Invoice Document 286 2006**

Transaction: Invoice 286 2006

Basic data

Invoice date: 06/30/2006 Reference: 285

Posting Date: 06/30/2006

Amount: 215.00 USD ☒ Calculate tax

Tax amount: 15.00 P1 (Accounts Payable S...)

Text: Additional Charge

Paymt terms: Due immediately

Baseline date: 06/30/2006

Company Code: ARK State of Arkansas Little Rock

Vendor: 100000162 OFFICE PRODUCTS

Address: 5566 Business Blvd. LITTLE ROCK AR 72202 USA

Phone: 888-665-0174-170 Fax: 888-665-1274

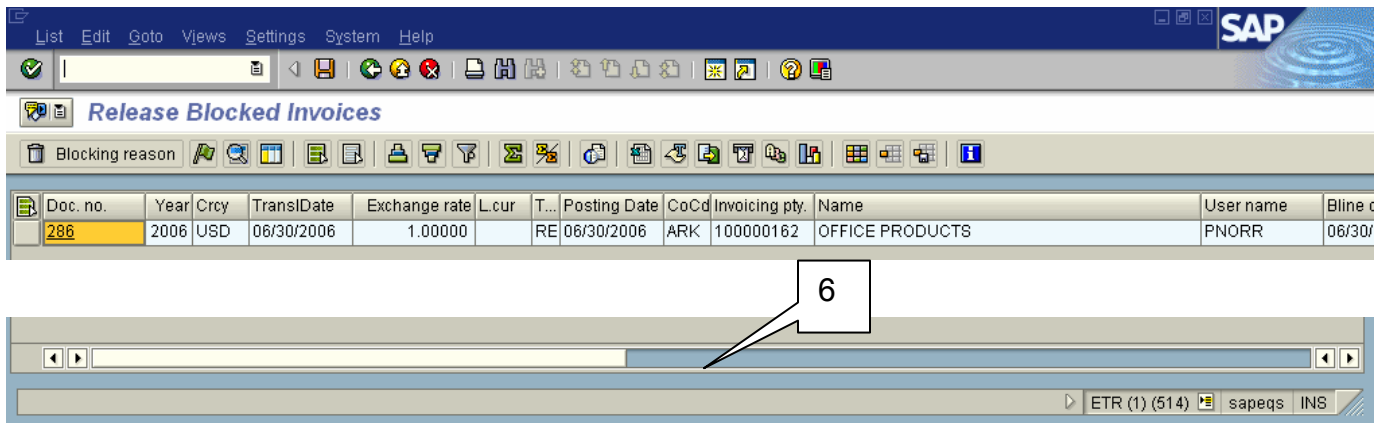
Bank acct: 22558899 Big Buck Bank

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	200.00	1 EA		4500000847	10	Computer Dell	P1 (Account

## Accounts Payable Basics—Logistics Invoice Process

### Chapter 18 Credit Memos and Subsequent Debits and Credits

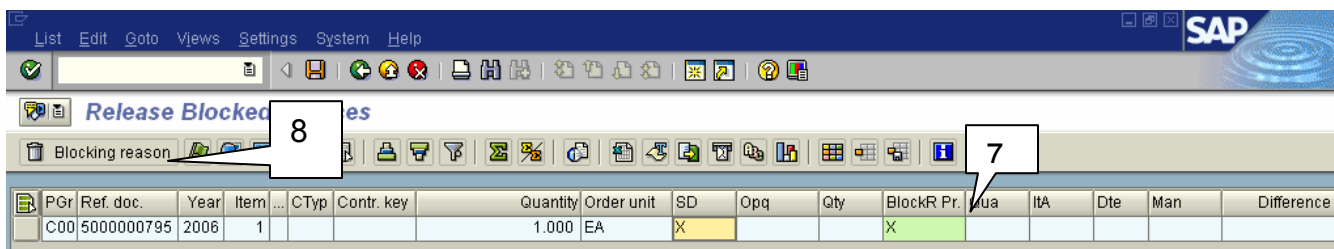
6. Scroll over to view blocking reasons.



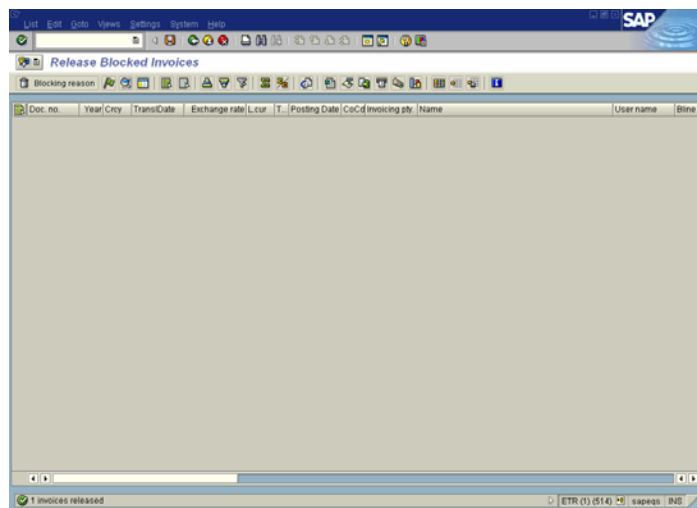
The X in the BlockR Pr column indicates that the document blocked because of price. This is the field that you want to release.

7. Click the field so that it is highlighted.

8. Click the delete blocking reason button.

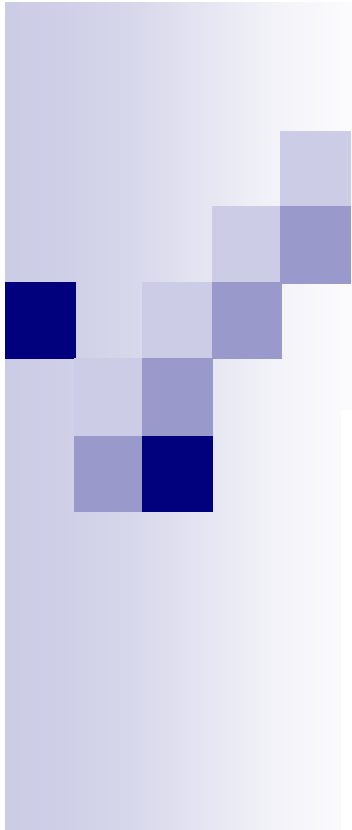


The document will be deleted from the list and a message will appear at the bottom of the screen with the number of invoices released.



Exercise 4: Release the document block created by the subsequent debit you entered in the last exercise.





# **Accounts Payable Basics – Logistics Invoice Verification Process**

Chapter 19  
Invoicing Fixed Assets

**Accounts Payable Basics—Logistics Invoice Verification Process**  
**Chapter 19 Invoicing Fixed Assets**

**What Is the Difference between a Fixed Asset and an Expense?**

A fixed asset generally has a longer useful life and a greater initial cost than an expense. The Arkansas Financial Management Guide defines assets and expenses as follows:

**Capital Assets** - Assets that meet the State's capitalization policy such as land, improvements to land, easements, buildings, leasehold improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure and all other tangible or intangible assets that are used in State operations and that have initial useful lives extending beyond one year. Capital assets do not include depletable resources such as minerals or timber.

**Expenses** - Decreases in net total assets. Expenses represent the cost of operations incurred during the current period regardless of the timing of the related disbursements.

**How Do I Enter a MIRO for a Fixed Asset?**

Your agency has received the following invoice from a vendor:

**Pedal Sweat of Oklahoma**  
**55 Freewheel Ave.**  
**Tulsa, OK 74104**



**INVOICE**

**Invoice Number: 227683**

**Your Purchase Order: 4500001024**

**Invoice Date: 8/23/2006**

<b>1 Deluxe Recumbent Exercise Bicycle.....</b>	<b>\$1,860.00</b>
<b>Shipping and Handling.....</b>	<b>25.00</b>
<b>Sales Tax.....</b>	<b>141.38</b>
<b>Total.....</b>	<b>\$2,026.38</b>

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

You were able to match the invoice to the following purchase order:

**Purchase order** Edit Goto Environment System Help

Standard PO 4500001024 Created by Colleen Vollman

Document overview on | Print preview | Messages | Personal setting

Standard PO 4500001024 Vendor 100000256 Pedal Sweat of Oklah... Doc. date 08/10/2006

**Header**

S.	Item	A	I	Material	Short text	PO quantity	O...	C	Deliv. date	Net price	Curr...	Per
	10	A		10100279	EXERCISE BIKE		1	EA	08/31/2006	1,860.00	USD	1

**Item** [ 10 ] 10100279, EXERCISE BIKE

Material data | Quantities/weights | Delivery schedule | Delivery | Invoice | Conditions | Account assignment

AccAssCat Asset Distribution Single account assignm... CoCode State of Arka...

Business Area 0710

Asset 200034882

CO Area ARK

Cost Center 417001

Order

WBS Element

Fund PWP2000

Functional Area HHS

Funds Center 896

Commitment item 512:00:11

Note the asset number instead of GL Account

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

Use the following steps to enter the invoice:

1. Enter the Invoice Date
2. Type the vendor's invoice number in the Reference field.
3. Enter the amount of the invoice including tax in the "Amount" field.
4. Check the "Calculate tax" box if you want the system to calculate the tax. You may also enter the tax amount in the "Tax amount" field.
5. Choose the "P1" tax code.
6. Enter text in the "Text" field if needed.
7. Enter the PO number.
8. Check the order unit. **Be sure it is not ZLS.** ZLS order unit causes the wrong value to be posted to the asset.
9. Click the Details tab to continue.

Note: If ZLS is the order unit, have the PO corrected before posting the invoice.

The screenshot shows the 'Enter Incoming Invoice' screen for Company Code ARK. The interface includes a menu bar (Invoice document, Edit, Goto, System, Help) and a toolbar with various icons. The main area is divided into several sections:

- Transaction:** Invoice
- Balance:** 26.88 USD
- Basic data:**
  - Invoice Date: 08/10/2006
  - Posting Date: 08/10/2006
  - Amount: 2,026.38
  - Tax amount: 139.50
  - Text: Invoice #227683 Recumbent Bike
  - Paymt terms: 15 Days net
  - Baseline date: 08/10/2006
  - Company Code: ARK State of Arkansas Little Rock
- Payment:**
  - Reference: 227683
  - Calculate tax: ☒
  - Tax code: P1 (Accounts Payable S...)
- Details:** (Selected tab)
- Contacts:**
  - Vendor: 0100000256
  - Address: Pedal Sweat of Oklahoma, 55 Freewheel Ave., TULSA OK 74104, USA
  - Phone: 877-567-8941-567, 877-567-8942
  - Bank acct:
- Purchase Order/Scheduling Agreement:** 4500001024
- Goods/service items:**
  - Item: 1
  - Amount: 1,860.00
  - Quantity: 1 EA
  - Purchase Order: 4500001024
  - Item: EXERCISE BIKE
  - PO Unit: 10
  - Tax code: P1 (Account)

Note: This is the same procedure as entering an expense MIRO.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

10. The only required field on the Details tab is the Business Area.
11. Enter information in the assignment field. The assignment field will print on the remittance. The recommended entry is the invoice number.
12. Enter information in the Header Text field. Header texts will also print on the remittance.
13. If there are unplanned delivery costs, enter them in the Unpl. Del. Csts. field.
14. The Planning Day field date is defaulted from the PO and is system derived. Do not change this field. The date will not affect the payment.
15. The vendor number is derived from the purchase order.
16. Click on the Payment tab to continue.

Invoice document Edit Goto System Help

Enter Incoming Invoice: Company Code ARK

Show PO structure Show workload Hold Simulate Messages Help

Transaction Invoice Balance 26.88 USD

Basic data Payment Details Tax Contacts Note

Unpl. Del. Csts 25.00

Currency USD Exch. Rate 1.00000

Doc. Type Invoice receipt Inv. Party 100000256

Assignment 227683 Bus. Area 0710

Header Text Recumbent Exercise Bike G/L 211000100

Plg level AP Planning Day 08/25/2006

Vendor 0100000256

Pedal Sweat of Oklahoma

55 Freewheel Ave.

TULSA OK 74104

USA

877-567-8941-567 877-567-8942

Bank acct

Purchase Order/Scheduling Agreement 4500001024

Layout All information

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	1,860.00	1	EA	4500001024	10	EXERCISE BIKE	P1 (Account

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

17. The Pmt. Method field is a required field. Enter “W” for warrant being paid from a treasury account. Enter “C” if the invoice is being paid by check from the agency bank. Enter “A” for a direct deposit from Treasury into the vendor’s account.
18. The House Bank is also a required field. Enter TREAS if the invoice is payment methods “A” & “W” being paid from a treasury account. Enter your AASIS house bank if payment method is “C” and being paid from an agency cash account.
19. Check the Payments terms field. Change the payment terms as desired. AASIS will pay the vendor on the date based on the number of days you select from the baseline date.
20. The payment reference field is used to control the number of payments sent to the vendor. Make an entry in this field to generate a separate payment for this invoice. To combine all invoices in one payment, leave it blank or enter the same reference for multiple invoices to be combined.
21. Click on the Tax tab to continue.

The screenshot displays the 'Enter Incoming Invoice' interface for Company Code ARK. The 'Transaction' type is set to 'Invoice'. The 'Basic data' tab is active, showing fields for BaselineDt (08/10/2006), Due on (08/25/2006), Discount, Pmt Method (W), Pmt terms (NT15), House bank (treas), and Payment Ref. (combine payments). The 'Payment' tab is also visible, showing Pmt block and Free for payment options. The 'Tax' tab is highlighted with callout 21. The 'Vendor' information on the right includes Vendor 0100000256, Pedal Sweat of Oklahoma, 55 Freewheel Ave., TULSA OK 74104, USA, and contact numbers 877-567-8941-567 and 877-567-8942. The 'Purchase Order/Scheduling Agreement' field is set to 4. The 'Layout' section shows 'Goods/service items' and 'All information'. The bottom table lists items with columns for Item, Amount, Quantity, O..., Purchase..., Item, PO text, and Tax code.

Item	Amount	Quantity	O...	Purchase...	Item	PO text	Tax code
1	1,860.00	1	EA	4500001024	10	EXERCISE BIKE	P1 (Account

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

No entry is required. Tax data is copied from the basic data tab.

22. Click on the Contacts tab to continue.

The screenshot shows the 'Enter Incoming Invoice' window for Company Code ARK. The 'Contacts' tab is selected, and a callout bubble with the number 22 points to it. The window includes a menu bar (Invoice document, Edit, Goto, System, Help), a toolbar with various icons, and a transaction type dropdown set to 'Invoice'. Below the tabs, the 'Tax Data' section is visible, containing a table with columns for Tax doc.c..., Tax code, and Jurisdict. Co... The table has one row with values 141.38, P1 (Accounts..., and 0408304601. To the right of the table are buttons for 'Calculate tax', 'Net proposal', and 'Delete Row'.

You can view contact information from the Contacts tab. If you have a problem with a line item on the invoice, you can look at this tab to know who you can contact.

23. Click on the Note tab to continue.

The screenshot shows the 'Enter Incoming Invoice' window for Company Code ARK. The 'Note' tab is selected, and a callout bubble with the number 23 points to it. The window displays the 'Invoice item' 1, 'Short Text' EXERCISE BIKE, 'Requisitioner' Armstrong, 'Buyer' Colleen Vollman, and 'GR processor' Colleen Vollman. The bottom of the window shows the 'Purchase Order/Scheduling Agreeeme...' field with the value 4500001024.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

24. You can enter notes on the Note tab. This information is for internal use only; it does not print on the invoice or remittance.
25. When the document is balanced between debits and credits, the spotlight style indicator will show green and the balance will show "0". If the spotlight style indicator shows red or yellow the document has issues. Reasons may be that the document is not balanced between debits and credits, there is a budget error, the document value is over the tolerance set (10% or \$100.00), or the period is not open.
26. Click the Simulate Button to view the document as entered.

Invoice document | Edit | Goto | System | Help

Enter Incoming Invoice: Company Code AR

Show PO structure | Show worklist | Hold | **Simulate** | Messages | Help

Transaction: Invoice | Balance: 0.00 USD

Basic data | Payment | Details | Tax | Contacts | Note

Purchase of asset

Vendor 0100000256  
Pedal Sweat of Oklahoma  
55 Freewheel Ave.  
TULSA OK 74104  
USA  
877-567-8941-567 | 877-567-8942

Bank acct

\* Li 1, Co 18 | Ln 1 - Ln 1 of 1 lines

27. View the document. You may post from this screen or hit the back button to make changes to the document.

**NOTE:** Verify that the cost center, fund, funds center and commitment item are correct before you post the document. If you see any errors, contact the person on the contact tab.

Simulate Document in USD (Document currency)

Position	A/G/L	Acc/mat/asset/vend	Amount	Cu...	Purchasin...	Item	T...	Jurisdic. Code	Tax date	Bu...	Cost C
1 K	2110001000	Pedal Sweat of Oklah...	2,026.38	USD			P1			0900	
2 S	2111001000	Goods Receipt/Invoic...	1,999.50	USD	4500000834	10	P1	0408304601		0900	44501
3 A	1990150000	Equipment (Modified)	26.88	USD	4500000834	10	P1	0408304601		0900	44501

Debit: 2,026.38 | Credit: 2,026.38 | Bal.: 0.00

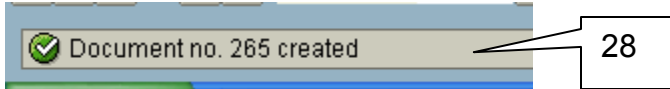
Back | Post | X



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

28. Note the document number at the bottom of the screen. This will be the MM document number. There will also be other document numbers created at the same time for the document posting in the FI, FM, SPL, and Controlling modules of AASIS.



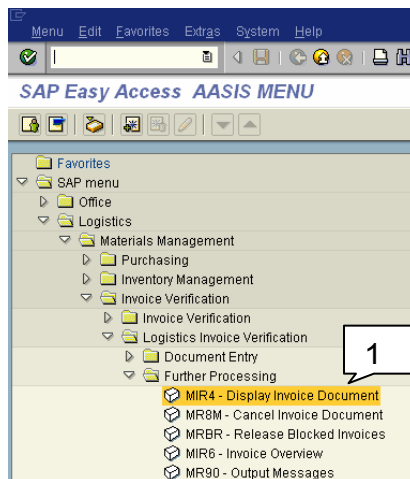
#### How Is This Different from Posting an Expense MIRO?

So far, the process is the same from the MIRO standpoint. The asset was derived in the purchase order, not in the MIRO document. The accounting is different for the posted asset, as follows:

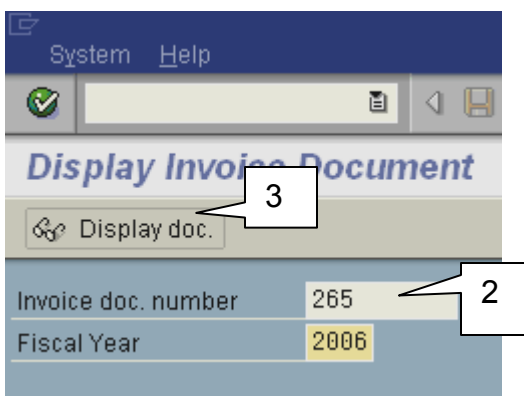
You can display your document and drill down to view the postings in transaction MIR4.

Use the following steps to view the documents;

1. Open transaction MIR4.



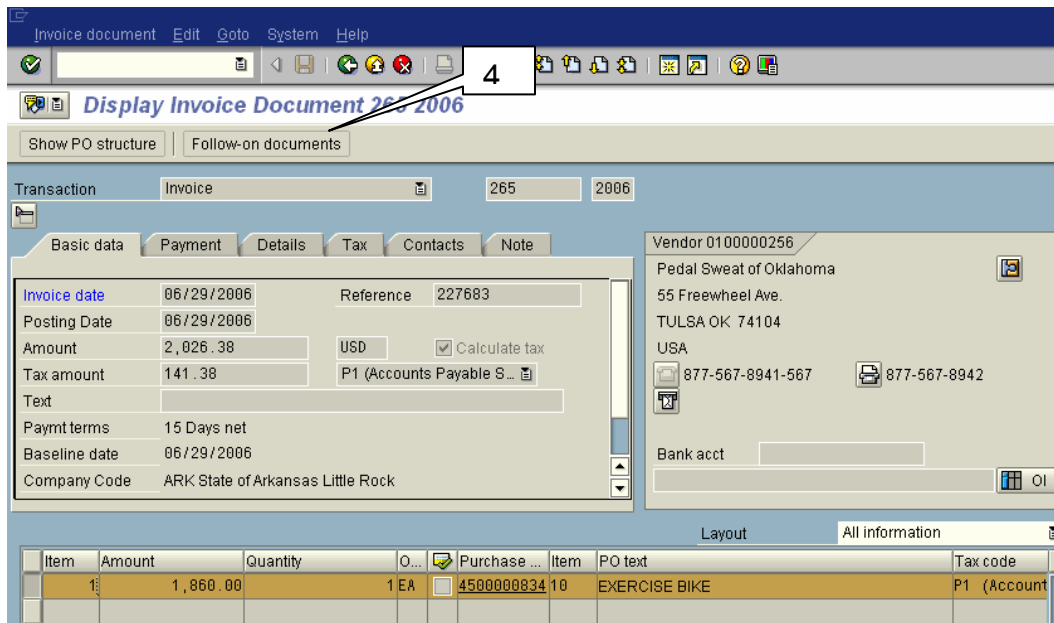
2. Enter the MM document number. This is the number you saw at the bottom of your screen when you created the MIRO.
3. Click the Display doc. button.



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

- The MIRO document displays. To see the other postings that were created in AASIS when you entered the MIRO, click the Follow-on documents button.



Invoice document   Edit   Goto   System   Help

Display Invoice Document 265 2006

Show PO structure   Follow-on documents

Transaction   Invoice   265   2006

Basic data   Payment   Details   Tax   Contacts   Note

Invoice date   06/29/2006   Reference   227683

Posting Date   06/29/2006

Amount   2,026.38   USD   ☒ Calculate tax

Tax amount   141.38   P1 (Accounts Payable S...)

Text

Paymt terms   15 Days net

Baseline date   06/29/2006

Company Code   ARK State of Arkansas Little Rock

Vendor 0100000256

Pedal Sweat of Oklahoma  
55 Freewheel Ave.  
TULSA OK 74104  
USA  
877-567-8941-567   877-567-8942

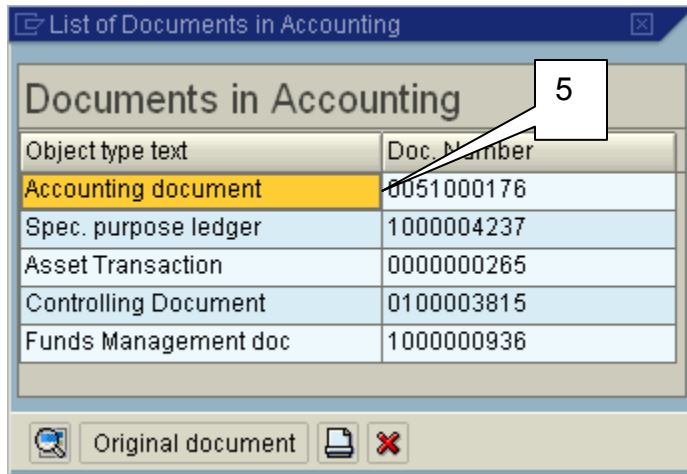
Bank acct

Layout   All information

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	1,860.00	1 EA		4500000834 10	EXERCISE BIKE	P1 (Account	

#### How Do I View the Accounting Document?

- A list of documents displays. You will notice that there is an extra document, for the asset. Double-click the accounting document to display it.



List of Documents in Accounting

Documents in Accounting

Object type text	Doc. Number
Accounting document	0051000176
Spec. purpose ledger	1000004237
Asset Transaction	0000000265
Controlling Document	0100003815
Funds Management doc	1000000936

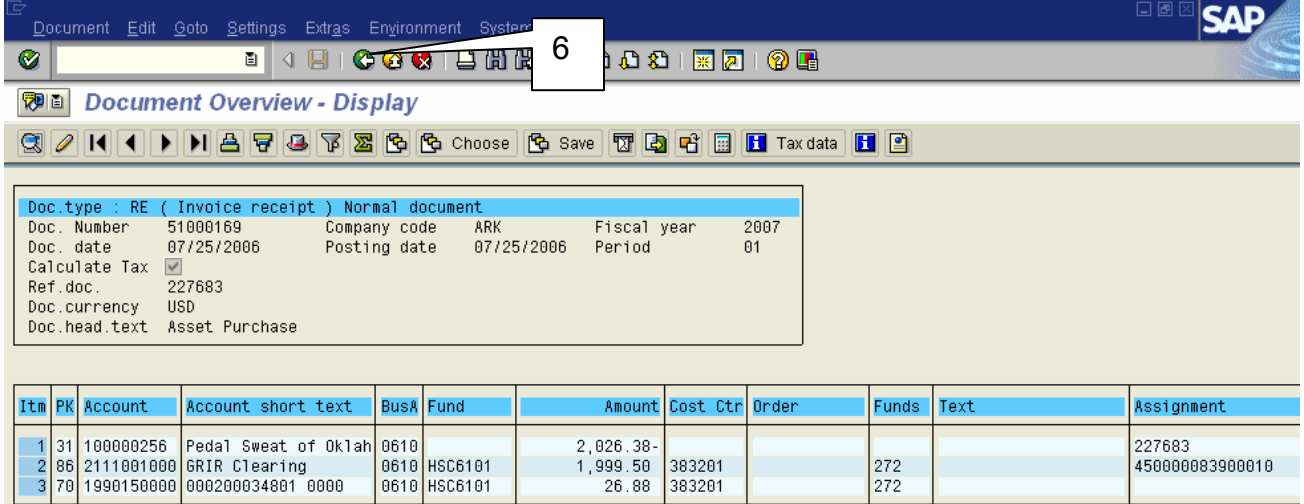
Original document

The accounting document shows the posting to the general ledger. You can see the debit to the GR/IR account, the credit to the vendor accounts payable account, tax accruals (if any) for each line item. The additional 26.88 posted to the asset account is the shipping cost entered on the MIRO plus sales tax on the shipping cost. Note that the accounting document number is different from the number that you used to display the document in MM.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

- Click the back button to continue



The screenshot shows the SAP 'Document Overview - Display' window. A callout box with the number '6' points to the back button in the top toolbar. The window displays document details for a receipt (RE) and a table of items.

**Document Details:**

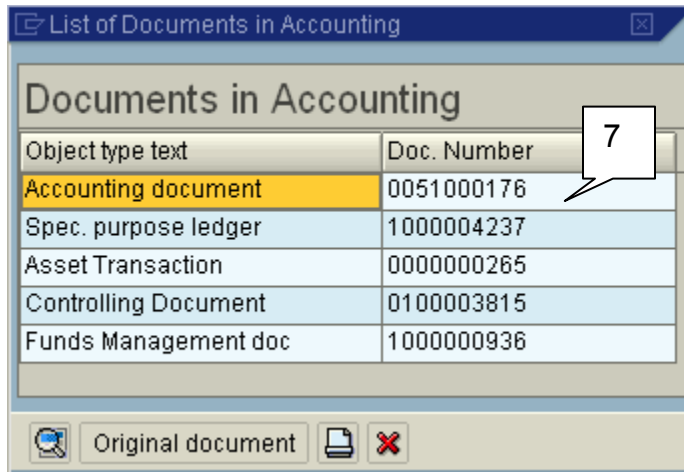
Doc. type	RE ( Invoice receipt )	Normal document
Doc. Number	51000169	Company code ARK
Doc. date	07/25/2006	Posting date 07/25/2006
Calculate Tax	<input checked="" type="checkbox"/>	Fiscal year 2007
Ref.doc.	227683	Period 01
Doc. currency	USD	
Doc. head. text	Asset Purchase	

Item	PK	Account	Account short text	BusA	Fund	Amount	Cost Ctr	Order	Funds	Text	Assignment
1	31	100000256	Pedal Sweat of Oklah	0610		2,026.38-					227683
2	86	2111001000	GRIR Clearing	0610	HSC6101	1,999.50	383201		272		450000083900010
3	70	1990150000	000200034801 0000	0610	HSC6101	26.88	383201		272		

### How Do I View the SPL Document?

- Double-click the SPL document to view the special purpose ledger posting.



The screenshot shows the 'List of Documents in Accounting' dialog box. A callout box with the number '7' points to the 'Accounting document' entry in the list.

Object type text	Doc. Number
Accounting document	0051000176
Spec. purpose ledger	1000004237
Asset Transaction	0000000265
Controlling Document	0100003815
Funds Management doc	1000000936

Buttons at the bottom: Original document, Print, Close.

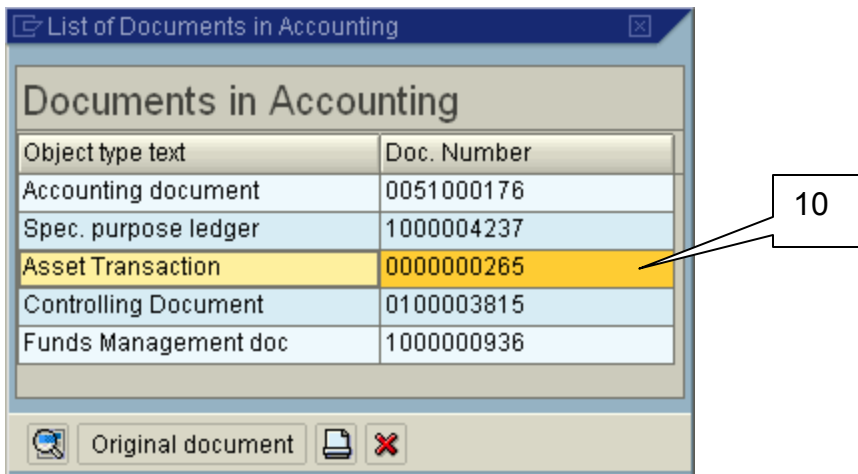


## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

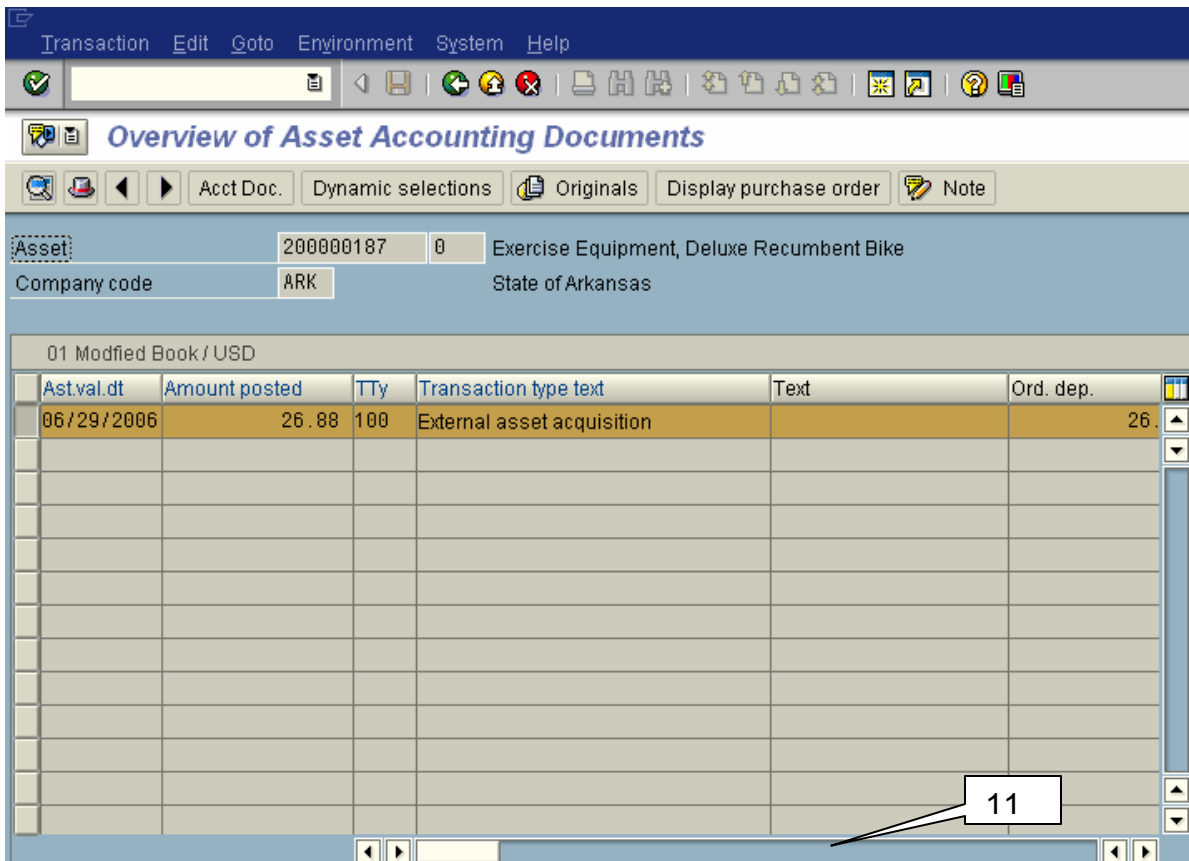
#### How Do I View the Asset Document?

10. Double-click the Asset Document to continue



Note: There will only be a follow-on asset document available if sales or use tax was posted in the MIRO transaction, or as in this case, if shipping cost added to the asset cost. The \$26.88 posted to the asset is the shipping cost, plus tax on the shipping cost.

11. Scroll over to view more of the document.



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

Note the credit to Ord. dep. This is the modified accrual depreciation of the shipping plus tax on shipping.

Ast.val.dt	Amount posted	Ord. dep.	Spec. dep.	Interest	Retmt. revenue	Ret.
06/29/2006	26.88	26.88-	0.00	0.00	0.00	

#### Where Is the Value of the Asset?

At this point you may be wondering why the value of the asset is not showing up in the follow-on documents to the MIRO transaction. After all, we just purchased a \$1,860 asset and all we see is the shipping cost! Why is that?

The answer to this question lies in the way AASIS recognizes expense and asset purchases. Because this is an accrual accounting system, we recognize the asset at the time it is received, rather than the time it is invoiced or paid for. Thus the cost of the asset will be a follow-on-document to the MIGO transaction, not the MIRO transaction.

The following is a display of the follow-on accounting document for the MIGO transaction for this asset. Note the value posted (the asset cost plus sales tax and the modified accrual depreciation (the asset is depreciated at the time of acquisition.)

Ast.val.dt	Amount posted	Transaction type text	Text	Ord. dep.	Sp.
06/29/2006	1,999.50	Goods receipt		1,999.50-	

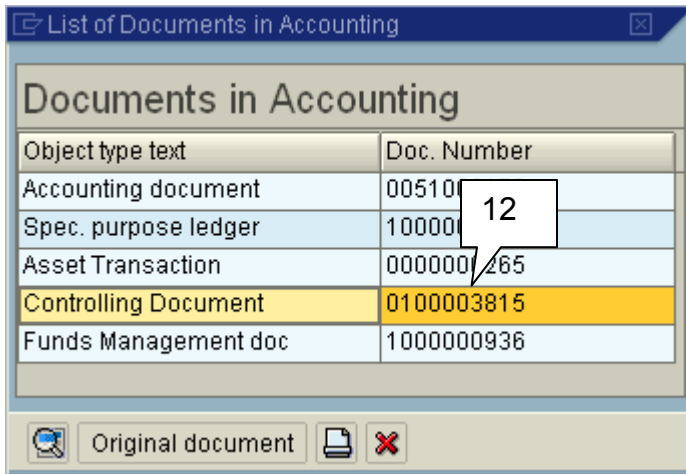
## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

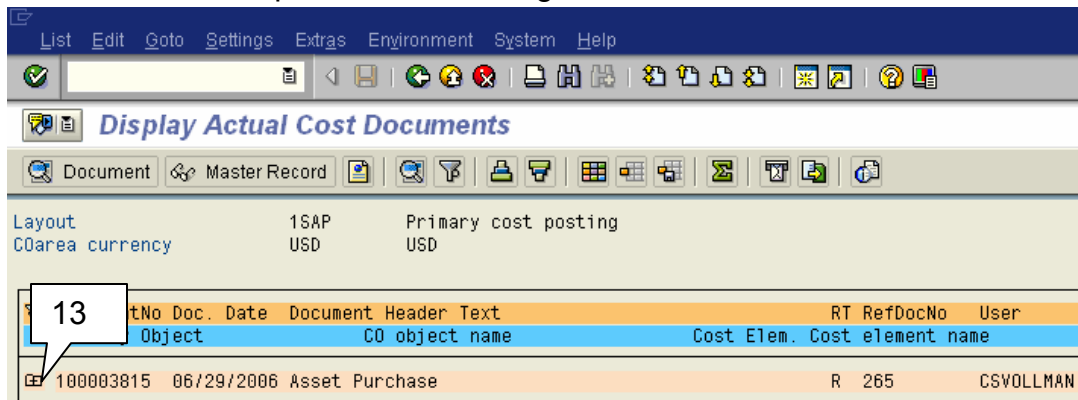
#### How Do I View the Controlling Document?

12. Double-click the Controlling Document to continue:

Note: There will only be a follow-on controlling document available if changes were made in the MIRO (e.g. shipping or tax added).



13. Click to expand the controlling document.



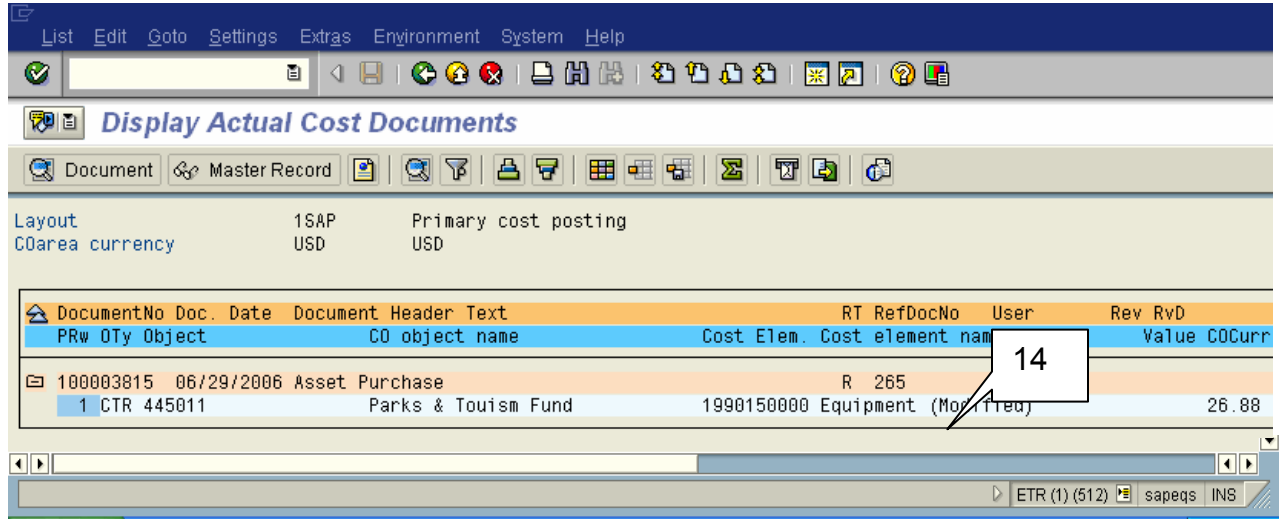
## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

The controlling document displays cost center number and name, and cost element number and name. It also displays the value.

Like the asset document, the controlling document only picked up the shipping cost and tax on the shipping cost, and not the value of the asset. This is because the controlling document for the value of the goods was a follow on document to the *goods receipt*, rather than the *invoice receipt*, which is what we are viewing.

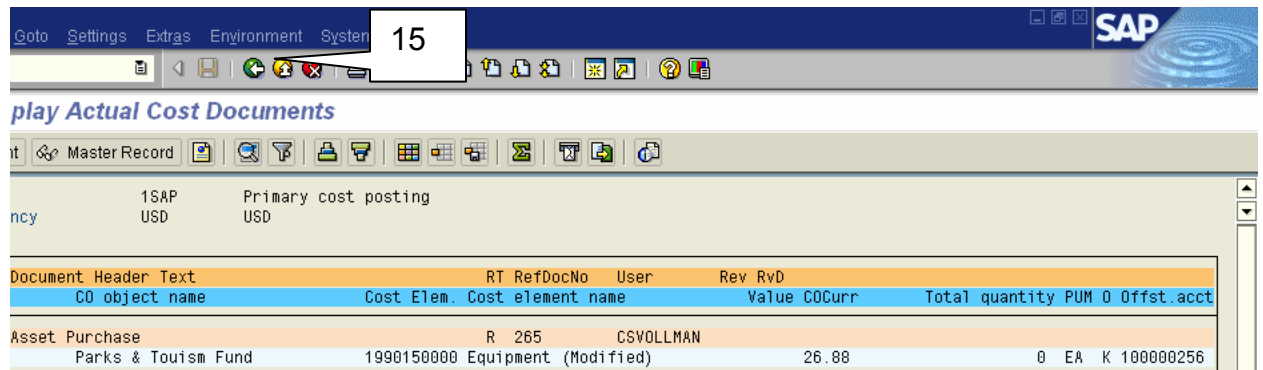
14. Scroll over to view more information.



DocumentNo	Doc. Date	Document Header Text	RT RefDocNo	User	Rev RvD
PRw OTy Object		CO object name	Cost Elem. Cost element name		Value COCurr
100003815	06/29/2006	Asset Purchase	R 265		
1 CTR 445011		Parks & Tourism Fund	1990150000 Equipment (Modified)		26.88

The Posted Unit of Measure, the cost object type (K for cost center) and the offsetting account (in this case, the account number of the vendor who is collecting this shipping and tax).

15. Click the back button to continue.



Document Header Text	RT RefDocNo	User	Rev RvD
CO object name	Cost Elem. Cost element name	Value COCurr	Total quantity PUM 0 Offst.acct
Asset Purchase	R 265	CSVOLLMAN	
Parks & Tourism Fund	1990150000 Equipment (Modified)	26.88	0 EA K 100000256

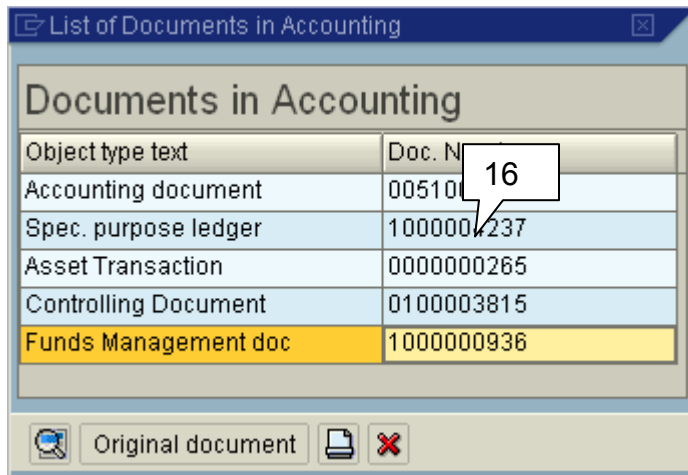


## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

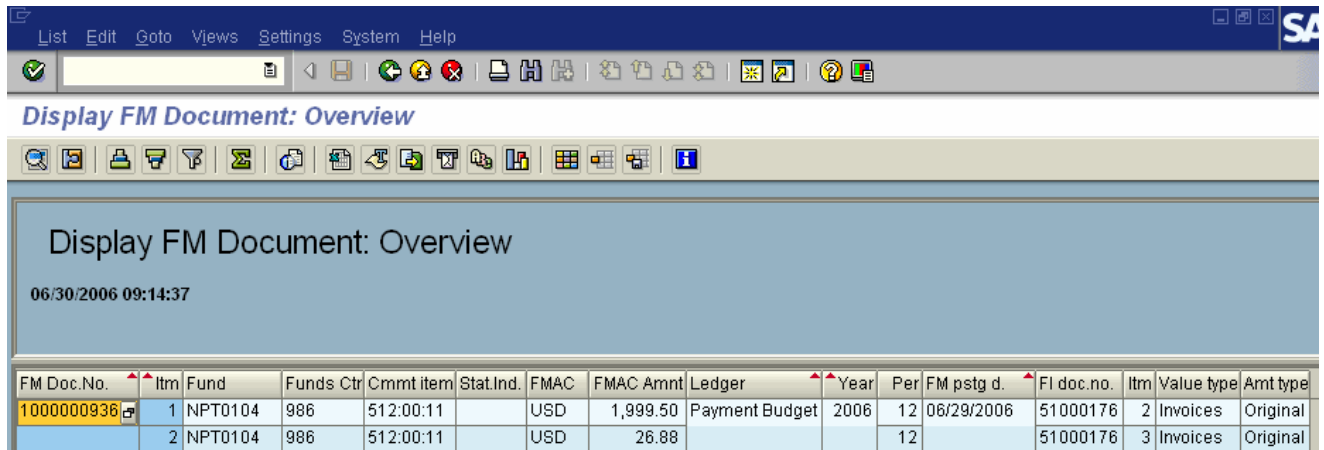
#### How Do I View the FM Document?

16. Double-click the Funds Management Document to continue.



The posting to funds management recorded an invoice commitment to the fund, funds center and commitment item for both the amount of the goods being paid and the sales tax.

Information contained in this document also includes the currency, ledger, year, FM posting date, Item number, and amount type.



Exercise: Enter the MIRO for the assigned single line asset invoice.

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

#### How Do I Pay for an Asset with Multiple Line Items?

Your agency has received the following invoice

Ab Blaster  
6 Pack Rd.  
New Orleans, LA 70112



### INVOICE

**Invoice Number: 223**

**Your Purchase Order: 4500001025**

**Invoice Date: 6/30/2006**

**5 Deluxe Elliptical Exercise Machines.....\$10,495.00**  
**Sales Tax.....787.15**  
**Total.....\$11,282.15**

Enter the information on the Basic Data Tab. When you enter the purchase order number, the multiple lines will be populated.

Invoice document Edit Goto System Help

Enter Incoming Invoice: Company Code ARK

Show PO structure Show worksheet Hold Simulate Messages Help

Transaction Invoice Balance 0.00 USD

Basic data Payment Details Tax Contacts Note

Invoice date 08/10/2006 Reference 223  
Posting Date 08/10/2006  
Amount 11,282.15 USD ☒ Calculate tax  
Tax amount 787.15 P1 (Accounts Payable S...  
Text  
Paymt terms 15 Days net  
Baseline date 08/10/2006  
Company Code ARK State of Arkansas Little Rock

Vendor 0100000252  
Ab Blaster  
6 Pack Rd.  
NEW ORLEANS LA 70112  
USA  
800-666-7766-999 800-666-7767  
Bank acct

Purchase Order/Scheduling Agree... 4500001025

Goods/service items


Layout All information

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	2,099.00	1	EA	<input type="checkbox"/> 4500001025	10	Exercise Machine, Elliptical Machine	P1 (Account
2	2,099.00	1	EA	<input type="checkbox"/> 4500001025	20	Exercise Machine, Elliptical Machine	P1 (Account
3	2,099.00	1	EA	<input type="checkbox"/> 4500001025	30	Exercise Machine, Elliptical Machine	P1 (Account
4	2,099.00	1	EA	<input type="checkbox"/> 4500001025	40	Exercise Machine, Elliptical Machine	P1 (Account
5	2,099.00	1	EA	<input type="checkbox"/> 4500001025	50	Exercise Machine, Elliptical Machine	P1 (Account

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets



Enter the data on details and payment tabs. Verify the information on the tax tab. If there is a problem, do not post the invoice. See the contacts tab for information on who entered the purchasing and goods receipt documents.

Basic data		Payment		Details		Tax		Contacts		Note	
Unpl. Del. Csts											
Currency	USD			Exch. Rate	1.00000						
Doc. Type	Invoice receipt				Inv. Party	100000252					
					Bus. Area	0900					
Assignment	223				G/L	2110001000					
Header Text											
Plg level	AP				Planning Day	07/15/2006					

Basic data		Payment		Details		Tax		Contacts		Note	
BaselineDt	06/30/2006	Pmnt terms	NT15	15	Days						
Due on	07/15/2006				Days						
Discount		USD			Days net						
					Fixed						
Pmt Method	<input checked="" type="checkbox"/> Pmt Meth.Sup.	<input type="checkbox"/>	Pmnt block		Free for payment						
Inv.ref.											
Part. bank			House bank	TREAS							
			Payment Ref.								

Basic data		Payment		Details		Tax		Contacts		Note	
Tax Data											
Tax doc.c...	Tax code	Jurisdict. Co...									
787.15	P1 (Accounts...	0408304601									

☐ Calculate tax
 ☒

Basic data	Payment	Details	Tax	Contacts	Note
Invoice item	1				
Short Text	Exercise Machine, Elliptical Machine				
Requisitioner	<u>trisha</u>				
Buyer	<u>Colleen Vollman</u>				
					683-2090 2090
GR processor	<u>Colleen Vollman</u>				
					683-2090 2090

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

#### What If the Assets Are Purchased from Multiple Funds?

This information is contained on the asset shell. The system derives the fund source from the asset. You should verify that the posting is coming from the correct fund. You can see the fund codes at the bottom of the MIRO document. If you see an incorrect fund on the document, do not post it. Follow your agency's policy on getting the information corrected.

The screenshot shows the SAP MIRO (Invoice Verification) screen. The title bar indicates 'Invoice document' and 'Enter Incoming Invoice: Company Code ARK'. The main area is divided into several sections:

- Transaction:** Invoice, Balance 0.00 USD
- Basic data:** Invoice date 08/10/2006, Posting Date 08/10/2006, Amount 11,282.15 USD, Tax amount 787.15, Paymt terms 15 Days net, Baseline date 08/10/2006, Company Code ARK State of Arkansas Little Rock.
- Vendor:** Vendor 0100000252, Ab Blaster, 6 Pack Rd., NEW ORLEANS LA 70112, USA, 800-666-7766-999, 800-666-7767.
- Table:** A table with columns: Sal..., Sales..., Cost Object, Prof.Se..., Fu..., Personn..., Profit Center, Partner, Network, Op..., Sc..., Fund, and a blank column. The table contains five rows of data, all with '0' in the first four columns and 'HHS' in the fifth column. The 'Fund' column contains 'PWP2000' for the first three rows and 'PWP1000' for the last two rows.

A callout box labeled 'Fund Code' points to the 'Fund' column in the table.

Exercise: Enter and post the MIRO transaction for the multiple line asset payment.

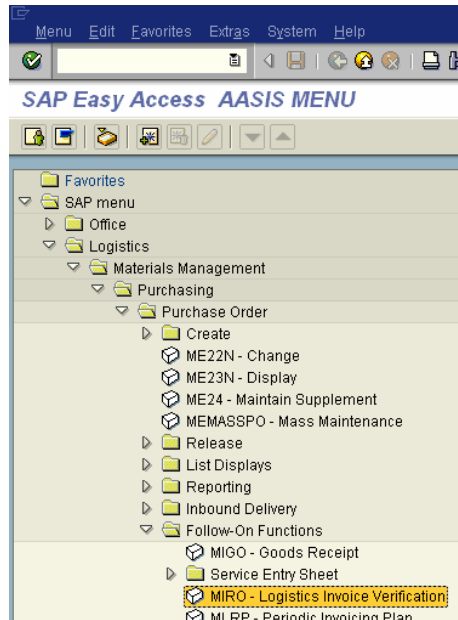
## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

#### How Do I Enter a Credit Memo for a Fixed Asset?

Use transaction MIRO to enter a credit memo against a purchase order.

Before entering the credit memo, find an open invoice to offset the credit. The invoice must be to the same vendor, fund, funds center, and commitment item as the item you got credit for. The best way to find an offsetting open invoice is by running ZPO\_OPEN\_INV as discussed in Chapter 4.



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

1. Change the transaction field to credit memo.
2. Enter a document date, reference number, and amount.
3. If the item is subject to tax, select the calculate tax field and enter the correct tax code.
4. Enter the purchase order number for which the credit memo is being entered—this should be the PO for the original asset purchase.
5. Make changes to the quantity and amount as needed to reflect the quantity and amount of the credit memo.

Invoice document | Edit | Goto | System | Help

Enter Incoming Invoice: Company Code ARK

Show PO structure | Show worklist | Hold | Simulate | Messages | Help

Transaction: Credit memo

Balance: 3,811.10 - USD

Basic data | Payment | Details | Tax | Contacts | Note

Document date: 07/27/2006 | Reference: 274

Posting Date: 07/27/2006

Amount: 3,811.10 | USD | Calculate tax: ☒ | Tax code: P1 (Accounts Payable S...)

Tax amount: 251.10

Text: Return Desk for Credit

Paymt terms: 15 Days net

Baseline date: 07/27/2006

Company Code: ARK State of Arkansas Little Rock

Vendor 0100000120  
Cushy Tushy Office Furniture  
900 W. Ergonomic Avenue  
ASHEVILLE NC 28801  
USA  
888-665-0132-128 | 888-665-1232

Bank acct: 12354657  
Ragstoriches Bank of Arkansas

Purchase Order/Scheduling Agreement: 4500000846

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	3,560.00	1 EA		4500000846	10	Desk Executive Style	P1 (Account

6. Click the Details tab.
7. Enter the business area and assignment number.

Invoice document | Edit | Goto | System | Help

Enter Incoming Invoice: Company Code ARK

Show PO structure | Show worklist | Hold | Simulate | Messages | Help

Transaction: Credit memo

Balance: 0.00 USD

Basic data | Payment | Details | Tax | Contacts | Note

Unpl. Del. Csts:

Currency: USD | Exch. Rate: 1.00000

Doc. Type: Invoice receipt | Inv. Party: 100000120

Assignment: Miro 274 | Bus. Area: 0610

Header Text:

Plg level: AP | Planning Day: 07/27/2006

Purchase Order/Scheduling Agreement: 4500000846

Vendor 0100000120  
Cushy Tushy Office Furniture  
900 W. Ergonomic Avenue  
ASHEVILLE NC 28801  
888-665-0132-128 | 888-665-1232

Bank acct: 12354657  
Ragstoriches Bank of Arkansas

Layout: All information

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	3,560.00	1 EA		4500000846	10	Desk Executive Style	P1 (Account

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

8. Click the Payment tab.
9. Enter the payment method.
10. Enter the house bank code.
11. In the Invoice reference field, enter the number of an open invoice for the vendor from the same fund, funds center, and commitment item combination.

Note: The asset number in the purchase order for the credit memo might not be the same asset number that is in the invoice used in the Invoice Reference field. In most cases, a credit memo arrives for an invoice that is already paid, so the credit memo and the invoice in the Invoice Reference field will be for different assets.

12. Press the Enter key. You'll get the message "Data was copied".

13. Click Simulate to view the posting.

The screenshot shows the 'Enter Incoming Invoice' window for 'Company Code ARK'. The interface includes a menu bar (Invoice document, Edit, Goto, System, Help), a toolbar, and a main form area. The 'Transaction' dropdown is set to 'Credit memo'. The 'Payment' tab is selected, indicated by callout 8. In the 'Payment' section, the 'Pmt Method' is set to 'Free for payment' (callout 9), and the 'House bank' is set to 'treas' (callout 10). The 'Inv.ref.' field contains '274' and '2007' (callout 11). The 'Simulate' button is highlighted with callout 13. On the right, the 'Vendor 0100000120' information is displayed, including 'Cushy Tushy Office Furniture' and contact details. At the bottom, a table lists 'Goods/service items' with columns for Item, Amount, Quantity, O..., Purchase..., Item, PO text, and Tax code. A message bar at the bottom left shows a yellow warning icon and the text 'Data was copied' (callout 12).

Item	Amount	Quantity	O...	Purchase...	Item	PO text	Tax code
1	3,560.00	1	EA	4500000846	10	Desk Executive Style	P1 (Account

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

14. View the posting. When you are satisfied that the posting is correct, click the Post button.

Position	A/G/L	Acc/mat/asset/vend	Amount	Cu	Purchasin...	Item	T	Jurisdic	Code	Tax date	Bu...	Cost C
1K	2110001000	BEST BUY/LITTLE R...	3,217.50	USD			P1				0610	
2S	2111001000	Goods Receipt/Invoic...	3,217.50	USD	4500000045	10	P1	0411903201			0610	38320

Debit: 3,217.50      Credit: 3,217.50      Bal: 0.00

Back   Post

15. AASIS returns a document number for the credit memo.

Document no. 282 created

A credit memo does not automatically reduce the asset value. When the credit memo has been posted, the return delivery must be posted in the MIGO transaction for the quantity of goods in the credit memo. When the credit memo relates to an asset, follow the procedure at your agency to contact the asset specialist for any necessary follow-up transactions.

Asset value before credit memo:

Company Code: ARK      State of Arkansas

Asset: 200034805      0      Desk, Executive

Fiscal year: 2007

Planned values   Posted values   Comparisons   Parat

Posted dep. values Modified Accrual Depre

	Fiscal year start	Change	Posted values	Crcy
APC transactions		3,811.10	3,811.10	USD
Acquisition value		3,811.10	3,811.10	USD
Ordinary deprec.				USD
Unplanned dep.				USD
Write-up				USD

Asset value after credit memo:

Company Code: ARK      State of Arkansas

Asset: 200034805      0      Desk, Executive

Fiscal year: 2007

Planned values   Posted values   Comparisons   Parat

Posted dep. values Modified Accrual Depre

	Fiscal year start	Change	Posted values	Crcy
APC transactions		3,811.10	3,811.10	USD
Acquisition value		3,811.10	3,811.10	USD
Ordinary deprec.				USD
Unplanned dep.				USD
Write-up				USD



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

Asset value after the return delivery is posted:

Company Code: ARK State of Arkansas  
Asset: 200034805 0 Desk, Executive  
Fiscal year: 2007

Planned values Posted values Comparisons Parameters

Posted dep. values Modified Accrual Depreci

	Fiscal year start	Change	Posted values	Crcy
APC transactions				USD
Acquisition value				USD
Ordinary deprec.				USD
Unplanned dep.				USD
Write-up				USD
Value adjustment				USD

**Note:** You cannot post a credit memo to an asset purchased in a prior fiscal year. DO NOT APPLY THE CREDIT TO A DIFFERENT ASSET. The return delivery will reduce the value on an asset, and you should not reduce the value of the wrong asset.

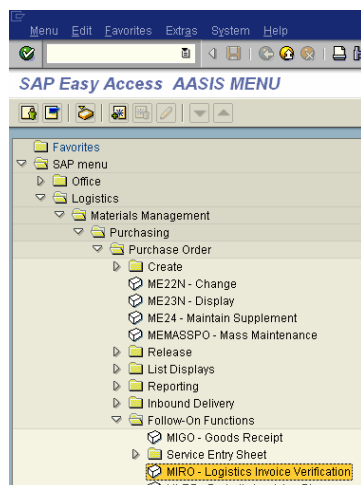
In the case of a credit memo for an asset purchased in a prior fiscal year, request a refund instead and treat it as a prior year refund to expenditures.

Exercise: View the asset values for your assigned asset. Enter the credit memo for the assigned asset and view the values again. Did the value change? Why or why not?

### How Do I Enter a Subsequent Credit for an Asset?

Use the MIRO transaction to enter the subsequent credit.

Before entering the credit memo, find an open invoice to offset the credit. The invoice must be to the same vendor, fund, funds center, and commitment item as the item you got credit for. The best way to find an offsetting open invoice is by running ZPO\_OPEN\_INV as discussed in Chapter 4.



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

1. Change Transaction to Subsequent credit.
2. On the Basic data tab, enter the date in the Document date field.
3. Enter the related invoice in the reference field.
4. Enter the amount of the credit in the Amount field.
5. If the item is tax relevant, choose the appropriate tax code and select calculate tax.
6. Enter text as desired.
7. Enter the purchase order number—this should be the purchase order for the original asset purchase.
8. Enter the amount of the credit in the amount field on the item line.
9. Click the Details tab to continue.

The screenshot shows the SAP 'Enter Incoming Invoice' screen for Company Code ARK. The 'Details' tab is active. The following fields and actions are highlighted with numbered callouts:

- 1:** Transaction type field, set to 'Subsequent credit'.
- 2:** Document date field, set to '06/30/2006'.
- 3:** Reference field, set to '283'.
- 4:** Amount field, set to '107.50'.
- 5:** Tax code field, set to 'P1 (Accounts Payable S...'.
- 6:** Text field, containing '15 Days net'.
- 7:** Purchase Order/Scheduling Agreement field, set to '4500000846'.
- 8:** Amount field in the item line table, set to '100.00'.
- 9:** The 'Details' tab button.

The item line table at the bottom shows the following data:

Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
100.00	1	EA	4500000846	10	EXERCISE BIKE	P1 (Account

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

10. Enter the business area.

11. Make entries in the Assignment field and Header Text fields as desired.

12. Click the Payment tab to continue.

The screenshot shows the SAP 'Enter Incoming Invoice' screen for Company Code ARK. The interface includes a menu bar (Invoice document, Edit, Goto, System, Help), a toolbar, and a main data entry area. Callout 12 points to the 'Payment' tab. Callout 11 points to the 'Assignment' field, which contains 'Miro 283'. Callout 10 points to the 'Bus. Area' field, which contains '0610'. The 'Vendor' field is '0100000266' and the 'Inv. Party' is '100000266'. The 'Doc. Type' is 'Invoice receipt'. The 'Currency' is 'USD' and the 'Exch. Rate' is '1.00000'. The 'Planning Day' is '06/30/2006'. The 'Purchase Order/Scheduling Agreement' is '4500000846'. The 'Goods/service items' table at the bottom shows one item: 'EXERCISE BIKE' with an amount of '100.00' and a tax code of 'P1 (Account'.

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	100.00	1	EA	4500000846	10	EXERCISE BIKE	P1 (Account

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

13. Enter the payment method.
14. Enter the house bank.
15. Enter the MM number of the open invoice in the Invoice reference field. This must be an invoice for the same vendor, fund, funds center, and commitment item combination.
16. Press the Enter key. AASIS will enter the fiscal year and return the message "Data was copied".
17. Click the Simulate button.

The screenshot shows the 'Enter Incoming Invoice: Company Code ARK' window. The interface includes a menu bar (Invoice document, Edit, Goto, System, Help), a toolbar, and a main data entry area. Callouts point to specific fields and buttons:

- 13** points to the 'Pmt Method' field, which contains 'W'.
- 14** points to the 'House bank' field, which contains 'treas'.
- 15** points to the 'Inv.ref.' field, which contains '283' and '2006'.
- 16** points to a status message at the bottom left that says 'Data was copied'.
- 17** points to the 'Simulate' button in the top toolbar.

Other visible data includes: Vendor 0100000266, The Spyder Workout Dome, 55 Stability Dr., WATERLOO IA 50701, USA, 877-899-8978-221, 877-899-8979, Balance 0.00 USD, and a table of goods/service items at the bottom.

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	100.00	1	EA	4500000846	10	EXERCISE BIKE	P1 (Account

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

The simulation will show a debit to the vendor account and credit to the expense account. (The expense account code is derived from the purchase order that you entered in step 7.)

18. Verify that the posting is correct and click the Post button.

Position	A/G/L	Acc/mat/asset/vend	Amount	Cu...	Purchasin...	Item	T...	Jurisdct. Code	Tax date	Bu...	Cost C
1	K2110001000	The Spyder Workout D...	107.50	USD			P1			0610	
3A	1990150000	Equipment (Modified)	107.50	USD	4500000846	10	P1	0411903201		0610	38320

Debit: 107.50      Credit: 107.50      Bal.: 0.00

Back   Post

AASIS returns a document number for the subsequent credit.



The subsequent credit automatically reduces the asset value.

Planned values   Posted values   Comparisons   Param				
Posted dep. values Modified Accrual Deprec				
	Fiscal year start	Change	Posted values	Crcy
APC transactions		2,150.00	2,150.00	USD
Acquisition value		2,150.00	2,150.00	USD
Ordinary deprec.				USD
Unplanned deprec.				USD
Write-up				USD

Posted asset value before subsequent credit

Planned values   Posted values   Comparisons   Param				
Posted dep. values Modified Accrual Deprec				
	Fiscal year start	Change	Posted values	Crcy
APC transactions		2,042.50	2,042.50	USD
Acquisition value		2,042.50	2,042.50	USD
Ordinary deprec.				USD
Unplanned deprec.				USD
Write-up				USD
Value adjustment				USD

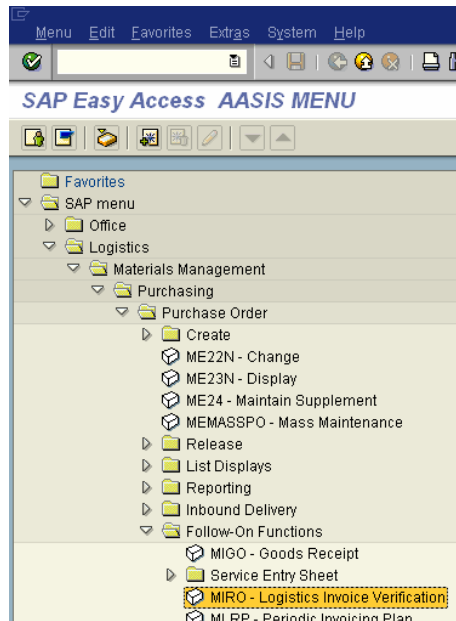
Posted asset value after subsequent credit

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

#### How Do I Enter a Subsequent Debit for an Asset?

Use transaction MIRO to enter a subsequent debit.



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

1. Change Transaction to Subsequent debit.
2. On the Basic data tab, enter the date in the Document date field.
3. Enter the related invoice in the reference field.
4. Enter the amount of the debit (including tax) in the Amount field.
5. If the item is tax relevant, choose the appropriate tax code and select calculate tax.
6. Enter text as desired.
7. Enter the purchase order number—this should be the PO for the original asset purchase.
8. Enter the amount of the debit in the amount field on the item line.
9. Click the Details tab to continue.

**Enter Incoming Invoice: Company Code ARK**

Transaction: Subsequent debit (1)

Balance: 3.75- USD

Vendor: 0100000160  
OFFICE DEPOT  
5678 Sticknote St.  
LITTLE ROCK AR 72202  
USA  
888-665-0172-168 888-665-1272  
Bank acct: 22558899  
Casherino Bank of Arkansas

Basic data tab: Invoice date 06/30/2006 (2), Posting Date 06/30/2006, Amount 53.75 (4), Tax amount 3.75, Text (6), Payment terms 15 Days net, Baseline date 06/30/2006, Company Code ARK State of Arkansas Little Rock.

Details tab: Reference 287 (3), Calculate tax (5), P1 (Accounts Payable S...)

Purchase Order/Scheduling Agreement: 4500000848 (7)

Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
50.00	1	EA	4500000848	10	Computer Dell	P1 (Account

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

10. Enter the business area.
11. Make entries in the Assignment field and Header Text fields as desired.
12. Click the Payment tab to continue.

Invoice document Edit Goto System Help

Enter Incoming Invoice: Company Code ARK

Show PO structure Show worksheet Hold Simulate Messages Help

Trans: Subsequent debit Balance 0.00 USD

Basic data Payment Details Tax Contacts Note

Unpl. Del. Csts  
Currency: USD Exch. Rate: 1.000  
Doc. Type: Invoice receipt Inv. Party: 100000  
Assignment: Miro 287 Bus. Area: 0610  
Header Text  
Plg. lev: AP G/L: 2110001000 Planning Day: 07/15/2006

Vendor 0100000160  
OFFICE DEPOT  
5678 Stickynote St.  
LITTLE ROCK AR 72202  
USA  
888-665-0172-168 888-665-1272  
Bank acct: 22558899  
Casherino Bank of Arkansas

Purchase Order/Scheduling Agreement 4500000848 Goods/service items

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	50.00	1	EA	4500000848	10	Computer Dell	P1 (Account



## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

13. Enter the payment method.
14. Enter the house bank.
15. Press the Enter key. AASIS will enter the fiscal year and return the message “Data was copied”.
16. Click the Simulate button.

The screenshot shows the 'Enter Incoming Invoice: Company Code ARK' window. The 'Transaction' field is set to 'Subsequent debit'. The 'Balance' is 0.00 USD. The 'Vendor' is 0100000160, 'OFFICE DEPOT', located at 5678 Stickynote St., LITTLE ROCK AR 72202, USA. The 'Pmt Method' is 'W' (callout 13). The 'Pmt terms' are '0001'. The 'House bank' is 'treas' (callout 14). The 'Inv.ref.' is '287' and '2006'. The 'Simulate' button is highlighted (callout 16). The 'Purchase Order/Scheduling Agreement' is '4500000848'. The 'Goods/service items' table shows one item: 'Computer Dell' with a quantity of 1 and a tax code of 'P1'. A status bar at the bottom indicates 'Data was copied' (callout 15) and 'ETR (1) (5)'.

Item	Amount	Quantity	O...	Purchase ...	Item	PO text	Tax code
1	50.0	1	EA	4500000848	10	Computer Dell	P1 (Account

## Accounts Payable Basics—Logistics Invoice Verification Process

### Chapter 19 Invoicing Fixed Assets

The simulation will show a debit to the vendor account and debit to the expense account. (The expense account code is derived from the purchase order that you entered in step 7.)

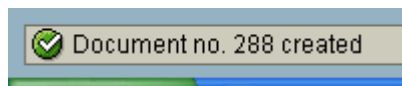
17. Verify that the posting is correct and click the Post button.

Position	A/G/L	Acc/mat/asset/vend	Amount	Cu...	Purchasin...	Item	T...	Jurisdic. Code	Tax date	Bu...	Cost C
1K	2110001000	OFFICE DEPOT / LITT...	53.75	USD			P1			0610	
3A	1990150000	Equipment (Modified)	53.75	USD	45000000848	10	P1	0411903201		0610	38320

Debit: 53.75    Credit: 53.75    Bal.: 0.00

Back   **Post**   X

AASIS returns a document number for the subsequent debit.



The Subsequent debit automatically increases the asset value.

Planned values   Posted values   Comparisons   Parar				
Posted dep. values Full Accrual Depreciati				
	Fiscal year start	Change	Posted values	Crcy
APC transactions		2,365.00	2,365.00	USD
Acquisition value		2,365.00	2,365.00	USD
Ordinary deprec.				USD
Unplanned dep.				USD
Write-up				USD

Asset value before subsequent debit

Planned values   Posted values   Comparisons   Parar				
Posted dep. values Full Accrual Depreciati				
	Fiscal year start	Change	Posted values	Crcy
APC transactions		2,418.75	2,418.75	USD
Acquisition value		2,418.75	2,418.75	USD
Ordinary deprec.				USD
Unplanned dep.				USD
Write-up				USD

Asset value after subsequent debit

**Accounts Payable Basics—Logistics Invoice Verification Process**  
**Chapter 19 Invoicing Fixed Assets**

Exercise: View the asset value for the assigned asset for subsequent debit.  
Enter the subsequent debit for the asset. View the asset value again.



# **Accounts Payable Basics – Logistics Invoice Verification Process**

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